



# **ROLE OF TRADE UNIONS IN INDIAN POLITICS**

DISSERTATION FOR THE DEGREE OF MASTER OF PHILOSOPHY

By

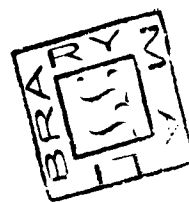
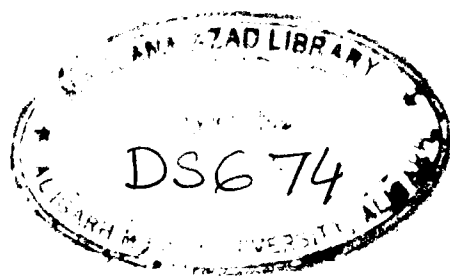
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ABBREVIATIONS.

- AIRF - All India Railwaymen's Federation.  
AITUC - All India Trade Union Congress.  
CITU - Centre of Indian Trade Union.  
CPI - Communist Party of India.  
CPI (M) - Communist Party of India (Marxist).  
HMS - Hindustan Mazdoor Sabha.  
HMSS - Hindustan Mazdoor Sevak Sangh.  
ICFTU - International Confederation of Free Trade Unions.  
IFL - Indian Federation of Labour.  
INTUC - Indian National Trade Union Congress.  
ITUF - Indian Trades Union Federation.  
PSP - Parja Socialist Party.  
RSP - Revolutionary Socialist Party.  
SSP - Sanyukt Socialist Party.  
TLA - Textile Labor Association.  
TUUC - Trade Union Unity Committee.  
UTUC - United Trade Union Congress.  
WFTU - World Federation of Trade Unions.

## PREFACE.

Trade unions may be defined as vocational organisations organised by the labourers or factory workers in order to secure their demands from the employers on the one hand and the Government on the other. In this process political parties also come to their help whenever common advantages or interests were involved.

These Trade Unions are easily and effectively organised in countries where democracy and industrialism march side by side and help grow each other. In backward society their advantages are of limited significance and their reciprocity is un-imitable.

The purpose of this work is to unearth the importance of Trade Unions and to find out their simultaneous growth. The history of this growth is narrated and the impact of Trade Union Movement on the politics of the country is studied.

Trade unionism in India involves the economic and legal aspects of Trade Union Movement as organised labour force. The study can be divided into two separate periods, the pre-independence period and the post-independence period. Moreover, studies so far made have laid stress on economic aspect and legal aspect ignoring the process of politicisation in the wake of slow industrialisation. This study confines itself to the political aspect of Trade Union Movement, however, slow and halting the process might have been.

The process of industrialisation has been rather slow as compared to the industrially advanced nations of the West. The

urbanisation which followed suit brought in its wake problems which had direct impact on the party politics of the period. For the purposes of political study of the Trade Union Movement, this study is divided into the prevalent state of affairs in the pre-war period and the post-Second World War period. Political parties intended to secure the independence of the country were emerging and their activities progressed hand in glove with freedom struggle. These activities were dovetailed into each other and supplemented the activities where labour reforms were sponsored by the disorganised labour movements. The leftist forces in the country espoused the cause of the proletariat and give a fillip to the labourers organisation which was slow and halting. On the contrary the politics particularly of the Left gained strength from the Trade Unions who clamoured for reform. In the following pages an attempt has been made to highlight the efforts made by the forces of freedom and measures of reform initiated by the so called Trade Unions. In Communist countries Trade Unions have the additional function of encouraging increased production maintaining discipline and to some extent they have acted as social welfare agencies. They do not resort to strikes in support of wage demands. In Western countries, on the other hand, the first function of the Trade Unions is to make demands on employers in regard to wage, working conditions and other such matters.

The study reveals that the Trade Union Movement has been

a process of give and take as far as the Indian Politics is concerned. The freedom struggle created favour amongst the bulk of the labour class. The more the freedom movement gained momentum progressed and the more the labour got organised. In India industrialisation has been a slow progress and the more the labour force gained strength the more industrial unrest increased in intensity and vigour. The Communists entered the arena as champions of the cause of labour and identified themselves with the leftist cause. Other sections of the society were also influenced by the leftists forces. The working conditions of the labour improved and mature and educated leadership gave it respectability. The involvement of labour as voters during the euphoria of elections and the socialist colouring to the demand of better working conditions and more rights increased the importance of organised labour force. Such demands inevitably lead to increased production. However, the fact remains that unions in Communist countries place for greater emphasis on national development. Trade Unions in under-developed countries fall between two extreme models, and the Indian Trade Unions are not an exception to this.

Trade Unions can be regarded as symbol of democracy and modern political system. They are continuously working agencies of democracy. In India legal aspects and economic aspects cannot be separated from political aspect. With the growth of labour force, Indian labour acquired greater zeal and with this more and more areas were covered and more and more industries command the canvas of organised labour.

The purpose of this study is to highlight the various stages through which the Trade Union Movement passed in India and its gradual impact on Indian politics. The movement was initially in the form of demands for reform in the field of labour - industrial relationship. The leaders of public opinion sympathised with the cause of labour on humanitarian grounds. Gradually the labour force got organised in the form of strong pressure groups and influenced the manifestos of the political parties in India. The political parties in turn forcefully pleaded the cause of labour and legislation was enacted to regulate labour industrial relationship on a sound footing. The organised labour force called for social security and better living conditions. After the World War II the speed of legislation was faster Indianisation of Trade Union Movement took place at rapid pace. Philanthropic organisations, socialist ideology, political parties and politicians; all combined to ameliorate the lot of the organised labour force, and welfare ideologies further added stamina to the movement.

The present survey presents a more or less, thorough study of the Trade Union Movement in India and some suggestion for reform have also been made towards the end of this work. For the purpose of study the impact of Trade Union Movement has been studied in two phases, pre-independence and post-independence period.

I am deeply grateful to my teacher and guide Professor S.A.H. Haqqi, Head of the Department of Political Science, A.M.U.

Aligarh, for the constant interest he has shown in my academic progress. I am also indebted to my teachers of the Department of Political Science, whose support stood me in good stead and encouraged me of and on. I will be failing in my duty if I do not thank Professor S. Nasir Ali and Dr. Mohd. Hashim Kidwai, Dr. S.H.A . Bilgrami, Dr. A.F. Usmani, Mr. S.A. Beg, Dr. Shan Mohammad, Readers, Department of Political Science. In the end I would like to thank all those writers from whom I have borrowed. I would also acknowledge my indebtedness to the staff of M.A. Library for their help and cooperation.

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## CHAPTER I

### INTRODUCTION.

#### Trade Union Movement in India.

Trade Unions were initially organised in Madras under the leadership of B.P. Wadia. From Madras, Trade Union Movement spread to Bombay. The root cause of these developments was industrial unrest which commenced from 1917. It resulted in the creation of a number of labour organisations, which were temporary in character and dissolved into thin air as soon as their immediate object was fulfilled. They were little more than 'Strike Committees' consisting of a few office bearers and perhaps a few payment members. This situation has however, gradually been improving. The Trade Union Act of 1926 was a step forward in this direction. The Trade Union Movement in India has, almost from the very inception, had the advantage of an all India organisation like the All-India Trade Union Congress which has been holding Annual Sessions since 1920. In 1929, occurred a serious rift in the ranks of the Trade Union Congress and there came into existence three distinct groups:-

The communist group, the liberal group and the non-aligned group. Subsequently unification of the Indian Trade Union Movement was affected at the joint session of the two principal bodies in April 1938. The Trade Union Federation was absorbed in the Trade Union Congress at the session of the congress held in Bombay in September 1940 caused by its adoption of a resolution of neutrality

with the war efforts. Aftab Ali, President of the Seamen's Union at Calcutta desiring the support of war efforts, disaffiliated his union from the congress. Another section headed by M.N. Roy, and Jamna Das Mehta also formed a new Central organisation known as the Trade Union Federation with its head-office at Delhi, Messrs Purcel and Halsworth, British Trade Union delegates to India, calculated that there were in all 25,266,109 persons in the organisable groups of workers including 21,676,107 agricultural field and farm workers but excluding domestic servants (postal and government servants) in various industries in India.<sup>1</sup>

Difficulties faced by the movement in India. The special difficulty of the Trade Union Movement is in the first place, the floating character of the labour population. In the second place labour in centres like Bombay and Calcutta consisted of heterogeneous mass of men speaking different languages and therefore not feeling intimately drawn to each other in hours of crisis where the proportion of emigrant labour is small, such as Ahmadabad, the Trade Unions were much stronger than elsewhere. Thirdly many labourers disliked the idea of regular contribution and union discipline and this accounted for the small percentage of men enrolled in any establishment. Even a small contribution was considered a burden due to the extreme poverty of the average

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1. "Report on Labour Conditions in India" (Trade Union Congress delegation, 1928), P. 15.

worker. Fourthly, the majority of workers were illiterate and therefore, unable to find leaders from their own ranks. This accounts for a special feature of the Trade Union Movement in India, namely that it has been largely led by men from the middle class, professional lawyers and others. Their interests are divided and they cannot distinguish between economic and political objectives among many unions and their knowledge of technicalities was generally shallow and superficial.

Another handicap was the absence of a truly democratic ideal which was so essential for effective trade unionism. Lastly successful trade unionism depends on at least a temporary acceptance of the existing social order with a view to gaining as much for labour as is possible. As in early days of trade unionism in England when it had to rely upon men like Robert Owen, Francis Place, Mingsley Ludlow and Drederic Harison, so too the Indian Trade Union movement in its corresponding phase is wholly dependent on the lawyer class.<sup>1</sup>

#### Trade Union Act of 1926 :-

One of the land marks of Trade Union Movement in India was the Trade Union Act of 1926 which came into force on June 15, 1927. N.M. Joshi, the Labour member, first brought this question before the Assembly in March 1921 and his persistent efforts bore fruit.

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1. See Ahmad, M., Trade Unionism and Labour Disputes, in India, (Longmans, Green & Co. Ltd. New York, 1935).

Growing Scope of Labour Legislation and Trade Unionism.

There existed always a tug of war between the employer and the employees. The employers wanted cheap labour and the employees sought higher wages. This is more true in case of industrial labour. Their concentration in the cities called for more rapid reform in terms of their wages, living conditions and future prospects. The government intervened on its own or at the instance of any of the parties. The growth of industrialisation calls for more restrictions keeping in view the smooth running of industries and the amelioration of the conditions of labourers.

The above mentioned Trade Union Act of 1926 was the beginning. Even though labour legislation in India does not occupy the same important position as in highly industrialised countries like England. It had its impact on the future of Trade unionism. Since World War I labour legislation in India has been growing at a rapid pace. These Acts sought to improve the productive efficiency of the industry and ruled out the possibility of recurring conflicts between factory owners and labourers. Such conflicts did not only vitiate the peaceful atmosphere of the factory, they created social, economic and political problems. These labour organisations which go by the name of Trade Unions operated as pressure groups and adversely effect the working of political parties and create tensions, which was injurious to the peaceful working of democratic processes.

The Workman Compensation Act 1923, was enacted with a view to imposing an obligation upon the employers to pay compensation to workers for accidents arising out of and in the course of employment, resulting in death or total or <sup>partial</sup> ~~political~~ disability for a period exceeding three years.

The object of the Trade Unions Act of 1926 was to provide for the registration of Trade Unions and in certain respects to define the law relating to registered Trade unions. Trade Union meant any combination whether temporary or permanent formed for the purpose of regulating the relations between workmen and employers or between workmen inter/se or between employers inter/se or for imposing restrictions on the conduct of any Trade Union or business and included any federation of two or more Trade Unions.

The general purpose of the payment of Wages Act of 1936 is to provide that employed persons shall be paid their wages in a particular form and at regular intervals and to prevent exploitation of labour by prohibiting arbitrary fines and authorised deduction from wages.

The purpose of the Employees Liability Act 1938 was to declare that certain defences shall not be raised in suits for damages in respect of injuries sustained by workmen.

The object of Employment of Children Act of 1938 was to regulate the employment of children below fifteen years of age in certain industrial employments.

The object of the Industrial Disputes Act of 1947 was to harmonise the relations between the employer and employees. It provides a machinery to settle disputes that arise between management and workers.

The object of the Factories Act of 1948 was to protect human beings from being subjected to unduly long hours of bodily strain or manual labour.

Through the Employees State Insurance Act of 1948 certain benefits to employees accrue in case of sickness, maternity and injury incurred in the course of work.

The Mines Act of 1952 intended to amend and consolidate the law relating to the regulation of labour and safety in Mines. The Mine workers are exposed to grave risk and therefore special laws had to be enacted from time to time. In the Mines Act of 1952 all the previous legislation was consolidated.

The Payment of Bonus Act of 1955 made provisions for bonuses to be paid at regular intervals.

The purpose of the above mentioned enactments was to ameliorate the miserable conditions of the labourers in specified fields. It was after long struggle and that each of these Acts saw the light of the day. In the process of bringing these enactments on the statute book politicians played a very crucial role. The party organizations became pressure groups. Labour movement provided a very important social and economic sector which was constantly feeding the political parties and political parties were feeding back the Trade Union Movement.

With the growth and culmination of Industrial Revolution the labour problem become more and more acute and formidable. Industrial Revolution changed the very complexion of the western society. New cities came into existence and with the establishment of factories the population shifted to these centres of production, bringing in its wake many political, economic and social problems. First and second World Wars expedited and intensified large scale production, making the organised labour more conscious of its rights and privileges. The First World War led to a new mass awakening and the workmen gradually became increasingly conscious of their importance. The steep rise in prices during the inter-war period tremendously increased the cost of living and forced the labour class to organise itself in order to safeguard its interests.

The Indian Labour movement may be regarded now to be linked up with international movement. The labour representatives of India used to attend the international labour conferences which were held annually before the Second World War, India had already come to be recognised as one of the first eight countries of industrial importance by the League of Nations. The national importance of ensuring an adequate supply of contented and sufficient labour in industries was recognised by every industrial organisation. The manufacturers realised the participation of labour in industrial relations. Consequently in May 1929, a Royal Commission on labour presided over by Rt. Hon'ble J.H. Whitley was established. The recommendations of Whitley Commission were accepted in toto, as the foundation of governments labour party and have profoundly

influenced recent labour legislation.<sup>1</sup>

Another factor which exercised a decisive influence on the policy of Indian Government was the formation of Congress ministries in a number of provinces in the middle of 1937. The Press Note that the Government of Bombay issued immediately on assuming charge of office is sufficient evidence of the policy of the government. It ran as follows :-

" The aim of Government is to try to adjust social and economic mechanism in such a way as to assure to the worker the satisfaction of atleast its minimum human needs, security of service provision of alternative occupations in period of unemployment and maintenance during periods of incapacity of work."<sup>2</sup>

The Bombay Programme was accepted as the basis of an Indian Labour Policy. The Congress ministries showed much activity in the sphere of labour legislation. Their resignation in 1939 necessarily resulted into slackening of this activity. The World War II brought the labour problem into prominence as the workers in many industries became more organised now than before, and demanded 'dearness allowance' and other concessions and facilities.

The following factors contributed greatly to the

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1. The Whitley Commission Report in June 1931, generally referred to as LCR.

2. Labour Gazette (Bombay) August 1937 PP 891 and 922-924,



popularisation of Trade Union activities. Apart from international force such as the advent of International Labour Organisation and national factors such as freedom movement were instrumental in universalising the labour movement. Mahatma Gandhi linked the freedom movement directly with the labour welfare. He shook the labourers out of their slumber and pathetic contentment and instilled in them a sense of pride and awareness of human rights.<sup>1</sup> The World War II had more than doubled the cost of living index and added to the miseries of the already poverty stricken multitudes. In 1919, the dearth of labour caused by wide spread Influenza improved the bargaining position of labour which was in scarce supply due to this epidemic.<sup>2</sup> The labourers were illiterate, disorganised and depended on outside 'agencies' such as political leaders, lawyers and communists who exploited discontented labour to their own advantages. The nationalist leaders were drawn from Home Rule Movement organised by Mrs. Annie Besant, the Indian National Congress. B.P. Wadia who organised textile workers in Madras belonged to Annie Besant's political movement while leaders like V.V. Giri, M.V. Naidu, B. Shiva Rao were members of Indian National Congress.

Special features of Labour Movement in India.

(a) Migratory Character :- The factory labourers in India do not constitute a wage earning, more or less fixed and permanent class corresponding to the factory labourers in Western

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1. A detailed study on this issue is given in "Gandhian Views" see, Chapter III.

2. The death toll inflicted by the influenza epidemic was estimated at twelve million people. G. Royal Commission on Labour in India, Report, 1931 (Manager of Publications: Delhi, 1933) P. 317.

countries. In Western countries, the labourers form a permanent class of industrial workers completely divorced from land. Most of them are brought up in towns and have abandoned the country for the town. The superiority of the industrial labour in the West is due to his early upbringing in factory area. The Indian labourer rarely severs his connection with his village, for instance about 80% of the inhabitants of Bombay are born outside the city. The great majority of the Indian workers are at heart villagers with a rural background and village traditions and have rural outlook. Their craving for the village never ceases and many of them succeed in Home-coming. Their families continue to live in villages. In the large majority of cases they own small un-economic holdings in the villages from which the members of their joint family eke out their living. In the event of some calamity, or even scarcity, the villages tend to migrate to cities in search of jobs. Improved means of communication and transport facilitate this migration. They succeed in finding a job in factories, workshops, clockyards, mines plantations, railways, road building construction, irrigation work and so forth. The joint family system helps in this movement. Distress, and not ambition being the chief spur, those who migrate are, more often than not, the least competent and the wholly helpless population. In the words of Labour Commission:

"the driving force in the migration comes almost entirely from one end of the channel that is the village : end.... The industrial worker is not prompted by the lure of the city life or by any great ambition.

The city as such has no attraction for him and when he leaves the village, he has seldom an ambition beyond that of securing the necessities of life. Few industrial workers would remain in the city if they could secure sufficient food and clothing in the village; they are pushed, not pulled to the city."<sup>1</sup>

As a result of this continuous process of migration, many sections of factory workers find themselves in an entirely unfamiliar environment of customs and traditions. Radical differences of climate affect the health of workers and differences of language retards free mixing. The ties which gives rural life its corporate and organic character are loosened and new ties are not easily forged and life tends to become more isolated. As regards conditions of work the worker finds himself subjected to an accustomed strain of body and mind owing to disciplined hours of continuous toil instead of spasmodic work with long intervals of rest to which he had been used. Fed up with these unbearable conditions they avail of the first opportunity to come back to villages. Consequently, they are always without a permanent job and are mostly at the mercy of money lenders, the jobber, the labour supplier the foreman and the liquor seller.<sup>2</sup>

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1. Labour Commission Report, P.4.

2. Hurst, B., Labour and Housing in Bombay, PP V - VI

The Labour Commission points out some advantages of the migratory character of the labourers which are as follows :

- (1) The village labourers are hardworking, sturdy and laborious as compared to the ematiated labourers of the pulluted city.
- (2) The labourer can fall back upon his rural resources in times of adversity.
- (3) The village provides some kind of insurance against unemployment, sickness etc.
- (4) The combination of urban and rural life is beneficial for the city labourers and village wage earner. The city labourer remains in touch with his native village and the village worker keeps in touch with the city life. Fresh air rushes in through these channels and enriches both the village and the city. The L.C.R. (Labour Commission Report) projects the view that the present link with the village must be regarded as a distinct asset and the aim should be to encourage it.<sup>1</sup>

#### Ideological Background of Trade Union Movement.

It has already been indicated that the World War I marked the dawn of a new era in the history of Trade Union Movement in India. Labour organisations had existed in India for nearly a quarter of century before the outbreak of the War. They were however service organisations created by reformers and philanthropists with a view to ameliorating workers sufferings rather than

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1. Labour Commission Report, PP 17-20.

concrete manifestations of labourers freedom to organise themselves for purposes of securing better terms of employment and advancing their economic well-being. Humanity, rather than freedom was the prime mover. The concept of economic power of combination was little understood by them and the word "strike" was hardly employed by them. They relied on "petitions" and "memorials".

Narain Meghajee Lokhandey, a factory worker who became a labour leader in 1880 and took prominent part in the establishment (in 1890) of the Bombay Mill Hands Association, became Indias first labour organisation.

Mahatma Gandhi, whose services were requested by an officer of the Government of Bombay in the solution of labour dispute between Mill owners and workers in the textile centre of Ahmadabad in 1918 and Mahatma Gandhi proceeded to establish a Spinners' and Weavers' Association which later became the Textile Labour Association to be run on the lines of a 'righteous struggle' advocated by him.<sup>1</sup> Gandh's role was that of reformer not that of a politician. N.M. Joshi of the Servants of India Society who organised unions in the textile and engineering <sup>fields</sup> ~~fields~~ in Bombay was another leader whose main concern was the welfare of workers.

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1. See, Chapter III , Gandhian Approach and the Trade Union Movement, for an exposition of the Gandhian views.

The Nationalists were drawn from the Home Rule Movement organised by Mrs. Annie Besant, as well from the amorphous Indian National Congress which was leading the fight for self-government. B.P. Wadia<sup>1</sup> who organised textile workers in Madras belongs to Mrs. Besant's political movement, while leaders like V.V. Giri, M.N. Naidu and B. Shiva Rao were members of the Congress.

In 1920 Nationalists helped in starting the All-India Trade Union Congress (AITUC). This loose federal organisation was born to facilitate the selection of delegates to represent Indian labour at the International Labour Conference in Geneva, but it also set before itself the task<sup>2</sup> of coordinating the activities of several individual unions existing in the country and promoting the interests of Indian labour in economic, political and social matters.<sup>2</sup>

Among political leaders who entered the Trade Union movement before also active Communists like S.A. Dange, S.S. Mirajkar and Dhundi Raj Thengdi. In 1924, violent and long-drawn strikes by unions were organised by them led to the arrest, prosecution, conviction, and imprisonment of prominent communist leaders.<sup>3</sup>

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1. A good account study can be seen in Socialist India, (March 4, 1978 PP 4-5)
  2. Royal Commission on Indian Labour, Evidence (Published along with the Report; Manager of Publications : Delhi, 1933), II, Part I, P. 226, Memorandum of the Government of India, Department of Industries and Labour.
  3. Singh, L.P., The Left-wing in India (1919-47), (New Publishers : Muzaffarpur, 1965) P.118.

But by 1928, the Communists had regained their influence in the Trade Union field by organising the Cotton Mill Workers of Bombay in the Girni Kamgar Union and the workers of the Great Indian Peninsula Railway (G.I.P.) Men's Association. Commenting on the Communist success, the Royal Commission on Indian Labour observed;

"For some time efforts had been made by Communists in India and from beyond her borders to capture the (Trade Union) movement. They met with their greatest success in Bombay in 1928."<sup>1</sup><sup>2</sup>

The first contact of resurgent India with socialist though took place, When Raja Ram Mohan Roy was in England many of the religious and economic reformers of the time were guests of Dr. Arnot and R.<sup>N</sup>.M. Roy met Robert Owen, the socialist leader.<sup>2</sup> Owen sought to convert R.<sup>N</sup>.M. Roy to socialism and the discussion that ensued was not only animated but some what heated.<sup>3</sup>

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1. Royal Commission, Report, PP 317, 319.

2. Ghose, S., Socialism and Communism in India, (Allied Publishers : New Delhi, 1971), P.1.

3. Sophia Collection, Life and Letters of Raja Ram Mohan Roy, 1913, P. 200 cited in Ibid. p. 32

## CHAPTER II

### EXTREMIST APPROACHES

#### (a) Radicalism and Trade Unionism.

As early as 1919, B.P. Wadia, the labour leader visited England and America and pleaded the causes of Indian workers at the British Labour Party Conference, Trade Union Congress and other organisations. The early involvement of Indian labour in International activities also led to the first split in the AITUC between those who supported in International Federation of Trade Unions, having its headquarters at Amsterdam, and others who aligned themselves with the International labour Union having its headquarters at Moscow. In 1921 the Red International Labour Union from Moscow sent its greetings to the Second Session of the AITUC and called upon it to join the new world movement. The AITUC reciprocated the greetings sent by the Red International and asked the workers of India to stand by the side of Russian workers.

Since about 1923 the Communist of India began to be active in the labour movement in Bombay and Calcutta. The policy that the Indian Communists was to pursue was stated by the Fifth Congress of the Communist International in 1924. The Indian Communist Party brought the Trade Union movement under its influence. It must have organised it on class basis and purge it of all alien elements<sup>1</sup>.

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1. Ghose, S., Socialism and Communism in India,  
(Allied Publishers : New Delhi, 1971) PP. 57-58.



The emphasis on the class character of the Labour movement gave rise to some conflicts within the AITUC, however warned the labour leaders of India against any such emphasis on class conflict. He asserted that the concept of class conflict which might be valid in European countries was inappropriate to a subject countries like India, having different traditions and that in India, there did not, in fact exist any conflict between classes and masses.<sup>1</sup>

During 1920's there was intense political movement in India and the 1920-22 non-cooperation movement had its repercussions in the labour field. In the year 1924 there were many strikes in India and particularly among the textile workers, first in Bombay and then in Kanpur.<sup>2</sup> Most of these strikes were organised by the Communists. In 1924, the Government started the Kanpur Conspiracy Case popularly<sup>3</sup> known as Bolshevik Conspiracy Trial against four leaders, Dange, Shaikat Usmani, M. Ahmad and Dasgupta who were charged with having conspired to wage war against the King of England.

At the Kanpur Session of the AITUC in 1927, the Communists obtained a measure of control over AITUC and S.V.Ghate was elected as one of its Secretaries. The Communists wanted that the AITUC should dissociate itself from all cooperation with

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1. Indian Annual Register, (1925), Vol.I.

2. Sri Jawaid, S; The Naxalite Movement in India (Associated Publishing House : New Delhi, 1969.

3. Ibid.

the British Labour Party and the International Labour Organisation and should pursue a more leftist policy. In 1927, Shapurji Saklatwala, a British Communist Member of Parliament (MP) had come to India to help the organisation of the left forces in the century. A British M.P. also attended the 1927 Session of the AITUC, and corresponded with Gandhi and explained the nature of his 'attacks' on Gandhi - why he considered that the Labour Union that Gandhi founded at Ahmadabad was not based on real trade union principles, why Gandhi's theories about the due share of labour was reactionary and why Trade Labour Federation (TLF) should affiliated itself with AITUC and join the broad stream of the Indian Trade Union movement.<sup>1</sup>

In Bombay the influence of the Communist in the trade unions was considerable. The leadership of the Trade Union movement in Bombay was divided between the moderates and the Communists. Shiva Rao, the Chairman of the Executive of the AITUC and a moderate said in 1928;

"The time has come when the Trade Union movement in India should weed out of its organisation mischief makers. A warning is all the more necessary because there were certain individuals who go about preaching the gospel of strike."<sup>2</sup>

The Communist, on the other hand believed that it is only through strikes that the workers should develop class

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1. Ghose, S., op. cit., p. 59.

2. Dutt, R.P.; India Today,  
(People's Publication : Bombay, 1949), P. 376.

consciousness and secure their demands from the employers.

In 1928, there were 203 strikes in the country out of which 11 took place in Bombay. In 1929, the number of strikes was less but a call for a general strike of the textile workers of Bombay was given in April 1929 by Girni Kamgar Union which was controlled by the Communists. Labour unrest spread from the textile workers of Bombay to the jute workers of Bengal and the railway employees of the G.I.P. Railway. In 1929, the Government of India sought to counteract labour unrest first with the Public Safety Ordinance and then with the Trade Dispute Act of 1929 which prohibited "lightning strikes".

(b) Contribution of Karl Marx.

The idea of organised labour force was initially mooted in the writings of Karl Marx, <sup>who</sup> exhorted the labours of the world to unite and overthrow the capitalist governments.

Karl Marx (1818-83) is generally known as the father of scientific socialism. German by birth, he from early childhood displayed signs of intellectual brilliance and took a keen interest in history, jurisprudence, and philosophy. He became a severe critic of the existing economic and political order and soon had to leave the land of his birth for France, and later, in 1849, for England, where he remained for thirty four years of his life, studying and writing. He took part in forming a socialist association called the 'International' in 1864, and remained thereafter in every way the

dominant personality of the socialist movement'. His main writings are the Communist Manifesto published in 1848, drafted in cooperation with his friend and collaborator Friedrich Engels, the Critique of Political Economy in 1859, and Capital in 1894. The theory of socialism which he developed is known as Communism.

The essential principles of Communism which for the Extremists are guild lines<sup>1</sup> published in the Communist Manifesto in 1948. These principles are as follows :

(1) The Materialistic interpretation of history according to which the evaluation of mankind has been and is determined not by ideas but by bodily necessities.

For Marx, history is not merely a catalogue of events. It is not confined to an account, of wars and conquests. It is much more than that. It is an account of social and economic forces which have actively contributed to civilization at different stages in the annals of mankind. The physical needs of men have necessitated production and distribution. As needs grew, processes of production became more complicated. Division of labour became necessary. The art of agriculture was developed and people started living together because of their common needs. Cooperation resulted into a corporate life where the means of production and the modes of distribution created a community feeling amongst them. They shared trials and travails and participated in each others joys and sorrows. This was the

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1. Hook, S., Marx and the Marxists, (Van Nostrand Co. Inc. New York, 1955), P. 13.

stage of primitive communism when everything had common ownership and common use. With improvement in the methods of production and the appropriation of the produce of all by the few the complexion of society changed. By materialistic conception of history Marx means any theory which seeks to explain history by empirical laws, whose predications and descriptions are in principle verifiable by observation and behaviour of men, things and the institutions which relate them.<sup>1</sup>

Denying the adequacy of physicalistic or racial or psychological theories he asserted that the economic structure of society and its changes were the independent variables of which all cultural changes were a function. Some times the theory of historical materialism is also referred to as the economic interpretation of history. Marx lays so much emphasis on historical determinism that it amounts to proclaiming that "History is God and Karl Marx is his chief prophet."<sup>2</sup>

Marx describes the relations between man's material conditions of life and their ideas by saying that "it is not the consciousness of men which determines their existence, but on the contrary it so their social existence which determines their consciousness." His economic interpretation of history goes to suggest that production of goods and services that support human life and the exchange of those goods and services are the basis of social processes and institutions. Marx, however, does not claim that the economic factor is not the only one that goes in the making of history but he does claim that it is the foundation

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1. Hook, S., Marx and the Marxists, (Van Nostrand Co. Inc.: New York, 1955), P. 19.

2. Ibid., P 11.

upon which is erected the superstructure of culture; law and government, buttressed by corresponding political, social, religious, literary and artistic ideologies. However, Marx is too much obsessed with the idea of environmental effects on individual thinking and social behaviour. He ignores traditions, morality, religion and inner urges like love, hatred, jealousy, glory and ambition. This flaw leaves a very glaring chink in his otherwise well fortified abode. It makes his position highly vulnerable. The actual source of production i.e. labour force plays a vital role in the evolution of society.

(2) The theory of class war, by means of which the rise and fall of civilization, the success and failure of state and the vicissitudes of social orders are explained. All history is the history of class struggles. When differences between haves and have nots the prosperous and the poor, grew in society and the power became the monopoly of economically prosperous sections of society, the era of class conflict began. Since there was nothing in common between these classes, they ranged themselves in two hostile groups or camps and all the changes, whether gradual or sudden can be traced back to this continuous conflict. Underlying the conflicts of political slogans principles and personalities there is always the unrelenting pressure of conflicting economic interests. These mount in intensity until, after many uneasy compromises, they end in the victory of one of the contending classes. In the Communist Manifesto Marx suggests that the struggle may

sometimes lead to the doom of both.<sup>1</sup> But he does not develop the suggestion which is out of tune with main emphasis of thought.

The term 'class' is used in various senses by Marx. Sometimes its main import seems to be the role that a group plays in production, sometimes its main feature is the common mode of life, including cultures and traditions, sometimes the source or level of their incomes, sometimes their vocation or in case of the unemployed, their lack of any job. But the central idea that labour adds value to the commodities runs through out his discussion.

(3) The Theory of Surplus Value : The labour theory of surplus value is supposed to account for and to justify the concept of class war. According to Marx, Labour is the source of all value. His economic theory was designed to show that the historical development of capitalism produced conditions which paved the way for the socialist society. He predicted certain fundamental tendencies in the evolution of capitalism such as centralisation of industry, concentration of capital, periodic booms and depressions and growth of monopolies. Marx defined capitalism as a system of society in which the instruments of production are operated for the private profit of those who own them by means of the labour of workers who are neither serfs not slaves but freeman. Profit is the first and last goal of production in such a system.

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1. Marx & Engel., Communist Manifesto  
(Foreign language publishing House : Moscow, 1948).

Marx rejects the customary explanation of the origin of profits and asserts that -

- (a) only labour is the source of value,
- (b) surplus labour time i.e. what is expended over and above the time necessary to create the value equivalent to its cost of subsistence is the source of surplus value,
- (c) profit as well as rent and interest is derived solely from the surplus value created by the workers.

Machinery of the market do not add value to any thing and therefore cannot be the source of profit. But Marx's economic theories tell us nothing about day to day behaviour of price, the changes of interest rates or the rise of new industries.<sup>1</sup>

(4) A social revolution is inevitable because the future development of capitalism will take the form of the concentration of capital in fewer and fewer hands, while, at the same time, there will be 'the ever closer and more elaborate organisation of the proletariat.' 'At its climax, the proletariat will arise, overthrow the capitalist class and expropriate them of the means of production.'<sup>2</sup>

(5) The dictatorship of the Proletariat. The dominant class will not, however, give up comfort and power without a severe struggle. 'The Red Terror,' wrote Trotsky, 'is a weapon utilized against a class, doomed to destruction, which does not wish to

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1. Hook, S., Marx and the Marxists, (Van Nostrand Co. Inc. New York, 1955) P. 20.

2. See, Joad, C.E.M., Introduction to Modern Political Theory, PP. 44-45.



perish." This animal, in other words, is naughty; 'when it is attacked, it defends itself without realizing that its skeleton is needed for a museum of specimens.' To stabilize the results of the revolution, therefore, a dictatorship of the dominant class, viz. the proletariat, will confiscate all private capital, organize labour, compel all to work, centralize credit and finance, establish state factories, concentrate, means of transport and speed up production. The road to socialism lies through a period of the highest possible intensification of the State',

(6) Ultimately, the State will wither away. After capitalism is completely destroyed, the State is unnecessary, for there will no longer be any capitalists, for whose protection it now exists. Therefore it will 'wither away'.

'when organising production anew on the basis of a free and equal association of the producers', wrote Engels, 'society will banish the whole State-machine to a place which will then be the most proper one for it - the museum of antiquities - side by side with the spinning wheel and the bronze axe.'

The new society will then be organised on the principle, from each according to his capacity, to each according to his needs.' Each man will contribute to the social wealth by his labour as much as he can, and will take from it what he needs.

It is not widely known that Marx himself in his later years modified the theory of communism put forward in the Communist Manifesto, admitting the possibility of the workers achieving their socialist goals by peaceful means. At a meeting in Amsterdam in 1872, Marx said :

"We know that the institutions, customs and traditions of the separate countries have to be taken into account; and we do not deny that there are countries like America and Britain-and if I knew your institutions better, I might add Holand to them - in which the workers can achieve their goal by peaceful means."<sup>1</sup>

It is significant that this view has now been officially accepted by the Twentieth Congress of the Communist Party at its meeting on February 24, 1956:

"The Communist Party of the Soviet Union bases of itself on Lenin's precept that "all nations will arrive at socialism" - this inevitable, but not all will do it in exactly the same way.

It is quite logical that forms of transition to socialism will become more and more diversified. Moreover, the implementation of these forms needs not be associated with civil war under all circumstances."<sup>2</sup>

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1. Marx & Engel, Works, First Russian edition, Vol. XIII, Part,II, P. 669.

2. "For a lasting Peace", People's Democracy (March 2, 1956) P.2

Marx envisaged an industrial society in which labour will organise itself and the capitalist will try to suppress the organised labour force. Ultimately the workers of the world will unite and liquidate the capitalist. In this way the expropriators will be expropriated. Thus we see that beginnings of Trade Unionism as a movement may be traced to the father of scientific socialism. These ideas gained firm roots after industrial revolution and the march of industrialisation into the developing countries of Europe and Asia, economic crises generated by world wars. Ideas of welfare society gave added strength to the Trade Union movement.

(C) Marxist - Leninist Approach to Trade Union Movement

Lenin, the founder of the Communist Party of the Soviet Union, and the leader of the Russian proletariat, was actively engaged in revolutionary work. At an early age he became acquainted with Marxist literature. As a student at the Kazan University he took an active part in the revolutionary movement. In August 1893 Lenin arrived in St. Petersburg, which was one of the Centres of the working - class movement in Russia. There he came in touch with various Marxist circles whose members were impressed with his erudition, his knowledge of realities in the country and his ability to apply Marxism as a scientific method and not a dogma.

He said that :

"the proletariat was the only class in Russia capable of leading the masses struggle to overthrow the autocracy."<sup>1</sup>

According to him, real socialism is Scientific Socialism substantiated by revolutionary theory. A revolutionary movement which is not guided by Marxism-Leninism cannot succeed in building a socialist society even if this is an openly proclaimed goal.<sup>2</sup>

Lenin regarded revolutionary theory, Marxism, as a basis for uniting all those who believed in Scientific Socialism. Their convictions were to be founded on this theory and it is this theory

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1. "How the Party came into Being", I issue, from the History of Communist Party of the Soviet Union, (Novosh Press Agency Publishing House: Moscow, 1974), P. 43.

2. Ibid., P 57.

which to guide them in their activities.

Knowledge of revolutionary theory enables a Marxist Party to rise above the professional or group interests of different sections of the working class, and to define the main tendency of social development. On its basis the Party elaborates a scientific programme of working class struggle, its strategy and tactics, and is able to lead the working class and not merely trail along behind the masses in their spontaneous actions.

He had stressed the necessity of <sup>f</sup>defending Marxism from attacks and distortions. Defence of Marxism does not mean regarding its principles and theses as dogmas. A true Marxist cannot regard Marx's theory as something accomplished and sacrosanct, for the nature of Marxism is such that it calls for constant development based on practice. And this is the best way of defending Marxism, for it enabled the revolutionary party to keep abreast of the times and to meet the requirements of the developing revolutionary movement.<sup>1</sup>

According to Lenin, "Each Party should develop its own revolutionary theory since Marxism contained only general, guiding principles." However, the need for working out different ways of applying the general principles in different conditions does not give grounds for rejecting or disregarding these principles of Marxism- Leninism or, under the pretext of meeting the demands of specific conditions, attempts to replace them with something else and asserts that the replacement represents a development of Marxism- Leninism, is not a Marxist- Leninist.

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1. Ibid., P. 59

It is <sup>the</sup> duty of a revolutionary party to defend and develop revolutionary theory Marxism- Leninism, to wage a struggle against hostile ideology and all distortions of the Marxist- Leninist theory, and to develop the theory and keep it a level that would make it a truly advanced theory. Theory must remain ahead of practice. Any lagging behind of theory can cause irrespensible damage to the cause of the party and to all the working people. A lag in theory dooms the Party to inaction and deprives the working class movement of possibilities for growth.

The struggle waged by the proletariat against the bourgeoisie takes place not only in the political and economic sphere but also in the sphere of ideology. Ideological struggle is of vital importance for the working class. There are two ideologies in capitalist society: bourgeoisie and socialist. Owing to its social position the working class is drawn towards socialism. The bourgeoisie, which is the ruling class, uses all the means to impose its ideology upon the proletariat. In this it is helped by people like the "Economists" who reject the need to foster in the working class a socialist consciousness and assert that a socialist ideology emerges of its accord from the spontaneous working- class movement.

History shows that the working class on its own can develop only a trade union consciousness; that is, it can perceive the need to unite in trade unions and wage a struggle against the capitalists for higher wages, improvement of working conditions,

etc. This is only an embryonic form of political consciousness Socialist consciousness and socialist ideology are based on Scientific Socialism. Socialism is not something that emerges spontaneously but is evoked by scholars who stand on the side of the working class and who may or may not have a working class background. Scientific socialism takes shape outside the working class movement. It cannot emerge in the course of the working- class movement, it cannot be formulated by the workers themselves, for under capitalism the workers lack the opportunity to engage in scholarly or intellectual activity.

Nevertheless, this does not mean that the theory from the struggle of the proletariat. Marxism as a science took shape on the basis of the class struggle waged by the proletariat against the bourgeoisie, and expressed the requirements of this struggle. Marx and Engels formulated the theory of Scientific Socialism by generalizing the experience of the working class movement in all countries.

The task of the revolutionary proletariat party is to turn the working- class movement from the path of spontaneous development to that of a relentless struggle against bourgeoisie ideas that are wide spread and which penetrate into the working class. It is necessary to impart socialist consciousness to the spontaneous working class movement. Lenin said that class political consciousness can be brought to the workers only from without that is, only from outside the economic struggle, from outside the sphere of relations between workers and employers.<sup>1</sup>

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1. Lenin, V.I., Collected Works, Vol. 5, P. 422.

While exposing the views of the "Economists", Lenin showed that by rejecting the necessity of bringing socialist consciousness to the working class movement they opened the way to bourgeoisie ideology. "All worship of the spontaneity of the working class movement", said Lenin, "all belittling of the role of the conscious element, of the role of Social-Democracy, means, quite independently of whether he who belittles that role desires it or not, a strengthening of the influence of bourgeoisie ideology upon the workers."<sup>1</sup> Thus the task of the Marxist Party is to wage a restless fight against the influence of bourgeoisie ideology on the working class movement, against all kinds of distortions and falsifications of Marxist-leninist on the part of revisionists and other opportunists, against all slander against the actually existing socialism.

Lenin showed that the "Economist" were wrong in saying that economic struggle was the most effective means of drawing the masses into the political movement. Exposing the iniquities within factories and plants is insufficient in enabling the proletariat to become aware of its social and historical role, for essentially it touches upon only the relations of the workers of the given profession to their employers.

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1. Ibid., Vol. 5, PP. 382-383.



In setting up party Lenin envisioned it as a party of proletariat inter-nationalism. This means that its ideology must reflect common interests and aims of the working class of all nations and that its policy must be aimed at drawing into a close alliance the proletariat and the working people of all nations in the struggle to do away with exploitation and oppression, carry out a socialist revolution, and build socialism, subordinating the interests of the working class movement in anyone country to the interests of this movement on a world scale. In its day-to-day activity the party sought to achieve complete confidence between the party sought to achieve complete confidence between working people of different nations and unity of their action, and to foster in them spirit of solidarity and the readiness to help and support one ~~and~~<sup>an</sup> other in their struggle.

The Marxist Party is not only the working class organisation. Other mass organisations waging a successful struggle against the exploiters, are the trade unions, cooperatives, youth leagues, women's associations, cultural and educational societies and militant revolutionary organisations that are formed in the course of carrying out open revolution and action.<sup>1</sup>

Each of these organisations carries on work in its own sphere of activity. But they all need and organised body capable of working out a common line of activity. Such an organisation is the Communist Party, vanguard of the working class, which is also highest form of class organisation of the proletariat and later -

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1. How the Party came into Being", I issue, from the History of the Communist Party of the Soviet Union, (Novosli Press Agency publishing House, Moscow, 1974), P.86.

of all the working people.

Lenin pointed out that one of the Party's chief tasks was to organise the proletariat for the uprising, taking the most energetic measures to arm the workers and to direct the uprising. And uprising is neither a spontaneous act nor a result of a conspiracy. It is the extreme form of class struggle, and it must be based on a broad mass movement.<sup>1</sup>

Further he insisted that all legal means should be used, and that the people should take an active part in the Trade Union movement. He opposed the isolation of the Trade Unions and recommended the unions to unite and act together.<sup>2</sup>

"It is the real struggle that unites. It is the development of parties, their continued struggle inside parliament and outside of it that unites, it is the general strike, etc that unites."<sup>3</sup>

A distinguishing feature of party activity, which is in keeping with the spirit of Marxism- leninism, is that the role of the Communist Party is enhanced, not through a lessening of the role of other organisations of working people, but, on the contrary, through an extension and deepening of their struggle. A party which has no strong ties with a powerful Trade Union movement, which has no base among the youth, and is not linked with other mass organisations, largely remain<sup>ed</sup> a party into itself at least a propaganda organisation.

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1. "The Bolshevik Party and the Democratic Revolution in Russia," 2nd issue, (Novosli Press Agency Publishing House: Moscow, 1975) PP. 38-39.

2. *Ibid.*, P. 61.

3. Lenin, V.I., Collected Works, Vol. 12, PP. 323-324.

In many developed capitalist countries, the role of the Trade Unions is growing rapidly and their struggle is assuming fresh dimension. ~~Law and Features.~~ Under conditions of State-monopoly capitalism, they put forward the demand for participation in the management of enterprises and firms and for control over the work of the country's leading economic <sup>bodies</sup> ~~bodies~~ at a higher level. Factory and office workers must have a say in the solution of problems posed by technical progress. Without this, it is now impossible to fight for a higher standard of living and job security. Bourgeoisie ideologists explain the enhanced role of the Trade Unions, which are not political organisations, as evidence of the tendency towards "depoliticisation" of the working class movement.

For India, Lenin defined the 'basic aims' of the proletariat vis-a-vis these other classes. The proletariat would strive to crush its class enemies, to paralyse wavering classes, and to gain ascendancy over its class allies. Put in Communist terminology, its aims towards the various classes would be liquidation, neutralization, or hegemony. These basic aims make up an over-all framework for action, or strategy.<sup>1</sup>

At the climax of first stage, the bourgeoisie would, in Lenin's view, strike a deal with the feudal autocracy and thus betray its own revolution. It would then be the duty of the proletariat to capture power with the petty bourgeoisie and poor peasantry, and begin the transition to the second, anti-capitalist,

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1. Overstreet and Windmillar, Communism in India  
University of California Press : Barkeley, 1959) P.11.

revolution. This new provisional regime - the "revolutionary -- democratic dictatorship of proletariat and peasantry" - would complete the bourgeoisie - democratic revolution, primarily through the redistribution of land which would liquidate feudalism in the countryside. After this intermediate period, it would then embark upon the building of socialism.<sup>1</sup>

In the second stage, a fundamentally different set of relations would prevail among classes, and a new strategy would thus ~~x~~ be required. The Communist now would endeavour to lead three classes : the proletariat, the poor peasantry, and the petty bourgeoisie.

According to him, the technique of action might be a general strike, an agrarian revolt, an urban insurrection, or a united - front - from <sup>above</sup> ~~about~~ or from below. The form of organisation might be illegal or legal Communist Party, a so-called workers and peasantry party, or a "peace" front. Communist must seize every opportunity for work among the masses, be asserted. They must participate, openly or secretly, in any organisation through which they could influence the masses in any degree - not only Trade Unions and peasant associations but also parliaments and other political parties. Lenin described two main tactical devices which have prevailed to the present : action "from above and action "from below". Action "from above" denotes a formal

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1. Ibid, P. 12.

alliance with non-Communist organisations, and Lenin cited, as an illustration, the "provisional revolutionary government" in which Social Democrats would join with other parties. This tactic means exerting pressure on another organisation through public collaboration with its leaders, and such action should be utilized, Lenin said, whenever "practical expedience" permitted. "Action" from below" denotes an open attack on non-communist organisations; it means exerting pressure on another organisation, from within or without, by appealing to its <sup>an</sup>constitutes or members. This type of action must be resorted to "in any case", he stated.<sup>1</sup>

According to Lenin, the pre-eminent purpose of tactics, is the creation of a Party which is the acknowledged vanguard of the proletariat. But tactics must be served the purpose of securing influence over other organisations, whenever they are willing, <sup>though</sup> ~~through~~ they may be enemies on the tomorrow. Lenin hammered at this point with endless persistence.

The more powerful enemy can be vanquished only by exerting the ~~the~~ utmost effort, and without fail, most thoroughly, carefully, attentively and skillfully using every, even the smallest, "rift" among the enemies, of every antagonism of interest among the bourgeoisie of the various countries and among the various groups or types of bourgeoisie within the various countries, and also by taking advantage of every, even the smallest, opportunity of gaining a mass~~ally~~, even through<sup>ly</sup> this ally be temporary, vacillating, unstable and conditional. His

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1. Lenin, V.I., "Left-Wing" Communism, an Infantile Disorder", (Foreign Language Publishing House: Moscow, 1950), P.91.

proposals for strategy and tactics in the under developed and colonial areas of the world such as India, were in large part merely an extension of this established system of ideas. According to him :

"Only a definite class, namely the urban workers and the factory, industrial workers in general, is able to lead the whole mass of the working and exploited people in the struggle to throw off the yoke of capital in actually carrying it out, in the struggle to maintain and consolidate the victory, in the work of creating the new, socialist social system and in the entire struggle for the complete abolition of class".<sup>1</sup>

"Only the proletariat - by virtue of the economic role it plays in large scale production - is capable of being the leader of all the working class and exploited people..."<sup>2</sup>

"...Socialism can be implemented only through the dictatorship of the proletariat, which combines violence against the bourgeoisie, i.e. the minority of the population, with full development of democracy, i.e. the genuinely equal and genuinely universal participation of the entire mass of the population

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1. Lenin, V.I., Collected works , Vol. 3. P. 213

2. Ibid., Vol. 2, P. 285.

in all state affairs and in all the complex problems of abolishing capitalism."<sup>1</sup>

Lenin elaborated the question of the functions of the socialist state. He summed up the state of the dictatorship of the proletariat as the power of the working class which is established as the result of the socialist revolution and has as its goal the building of socialism and the transition to the building of communism.

In the economic sphere, the state of the dictatorship of the proletariat abolishes private ownership of the means and instruments of production and introduces planned organisation of production for the allround development and welfare of the people. Lenin pointed out time and again that the essence of dictatorship of the proletariat, which expresses the people's interests and leans on their revolutionary initiative and activity, lies not in compulsion, but in creative work, the peaceful implementation of profound social transformations and the building of socialist economy.

In the political and social sphere, the socialist state abolishes class exploitation, broadens the social basis of the state system, strengthens the union of workers and peasants, brings socialist culture within the reach of the masses and draws

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1. "Against Dogmatism and Sectarianism in the Working Class Movement", (published from Moscow in 1968), P. 77.

ever wider masses into governing society, developing in every way proletarian, socialist, democracy.

Lenin emphasised that the Socialist State has to set up a new machinery of state administration and draw the broadest masses of the working people into the task of administration, to <sup>unleash</sup> ~~unleash~~ the gigantic creative forces of the millions of workers, peasants and intelligentsia. He attached exceptional importance to organising genuine people's control over the activity of the state apparatus and demanded that all working people be drawn into it. He said, "We want a government to be always under the supervision of the public opinion of its country."<sup>1</sup>

In socialist society, the workers and peasants thus have the real right and opportunity to form all the bodies of state power and economic management as well as to control their activities. Explaining the significance of this democratic principle of social organisation, Lenin pointed out that every representative of the masses, every citizen, must be put in such conditions that he can participate in the discussion of state laws, in the choice of his representatives and in the implementation of state laws."<sup>2</sup>

Lenin pointed out that the working class performs its historical role at all stages of the emancipatory struggle : it is the leading force of all the working people in the revolution, the dominant class (proletarian dictatorship) in the period of transition from capitalism to socialism and the

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1. Selected Works, Vol. 2, P. 464

2. Ibid., Vol. 27, P. 212 .



guiding force socialist society until the final transition to full communism.

The concept of the dictatorship of the proletariat is the basic, logical, historically corroborated conclusion deriving from the Marxist theory of the historical mission of the working class, Lenin categorically stated :

"Only he is a Marxist who extends the recognition of the class struggle to the recognition of the dictatorship of the proletariat. This is what constitutes the most profound distinction between the Marxist and the ordinary petty (as well as big) bourgeoisie".<sup>1</sup>

Since Lenin "saw that Roy, the most prominent Indian communist at the Second Congress, was deviating," states an official publication of the CPI, "towards a sectarian approach to the mass movement led by Gandhi, by shouting himself hoarse about Gandhi's antiquated social ideology, Lenin admonished him to think more about how to carry forward the masses under Gandhian leadership than about <sup>G</sup>andhi's social philosophy."<sup>2</sup>

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1. Ibid., Vol. 2, P. 292.

2. Sardesai, S.G., "Gandhi and the CPI", (The Mahatma, A Marxist symposium), P.9; and also see M.N. Roy's Memoirs, 1964, P. 379.

(d) Contribution of M.N.Roy

It was before Roy and the Communist Party of Great Britain were in substantial agreement on strategy and tactics that the CPGB began in earnest to take over the direction of the Communist movement in India. On April 30, 1926, George Allison, a Scottish coalminer and a member of the CPGB arrived in Bombay.<sup>1</sup> One of his colleagues of this period recalls that he had been dispatched to India by the Red International Organisation (RILU) for the purpose of stimulating Trade Union Organisation.<sup>2</sup> He apparently confused himself to trade union activities in India and did not come to the notice of the authorities until November 1926, when his connection with known Communists was established through intercepted correspondence.<sup>3</sup> On January 22, 1927, Allison's forged passport was discovered in a police raid in Calcutta. Allison was arrested the next day, convicted, imprisoned, and ultimately deported from India.

A close associate of M.N.Roy, Spratt, a 24 years old communist came to Bombay on December 30, 1926 and contacted Muzaffar Ahmad, S.V. Ghate, and other Indian Communists and instructed them to form a Workers' and Peasants' Party, which could serve as a legal cover for Communist activity.<sup>4</sup>

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1. Overstreet, G.D. and Windmiller, M., Communism in India, (The Perennial Press: Bombay, 1960), P.86.

2. Spartl, P., Blowing up India, (Prachi Prakashan : Calcutta, 1955), P. 29.

3. Overstreet, G.D. and Windmiller, M., op. cit., P.86

4. Spartt, P., Blowing up India. (Prachi Prakashan: Calcutta, 1955), P. 29.

Accordingly to a document which was received <sup>by</sup> ~~to~~ the Indian communist suggested that "the Workers' and Peasants' Party should be formed for Bombay as soon as possible." And on February 8, 1927 the meeting was held at which Workers' and Peasants' Party of Bombay was formed.<sup>1</sup>

M.N. Roy asserted that increased industrialization in India had created a manufacturing bourgeoisie which formed itself competing with the imperialists in the exploitation of the masses.<sup>2</sup> Roy had always said, namely, that the bourgeoisie was not a revolutionary factor and would not be regarded as an ally in the revolution.<sup>3</sup>

He felt that a vague nationalism which sought to combine the interests of all classes, such as of labour and capital and of the peasant and the landlord, was a snare and a delusion and he asserted that a true socialist movement could not combine the interests of all classes. Roy elaborated his views in India in Transition,<sup>4</sup> India's Problem and Its Solution, One Year of Non-Cooperation,<sup>5</sup> and in other books and tracts.

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1. Overstreet and Windmiller op. cit., P. 87

2. Ibid., P.103

3. Ibid., P. 104

4. Roy, M.N., India in Transition, 1922, P. 130.

5. Roy, M.N., One year of Non-Cooperation, 1923, PP 56-60.

It was a segment of the outside leadership, under the command of M.N. Roy, that took the initiative in forming the Indian Federation of Labour in the early years of the Second World War when the AITUC split once again. In working actively for the IFL and its policies, the Royists organised several new unions under their leadership.<sup>1</sup>

M.N. Roy, who during 1920's was virtually guiding the Indian Communists from Europe, also stressed the class struggle, even though he advocated the anti-capitalist strategy as against the Comintern's insistence on the anti-imperialist strategy.<sup>2</sup> Roy also believed that violence was necessary for the overthrow of British imperialism and the national bourgeoisie interests. He maintained that the emancipation of the exploited "cannot be done by peaceful and non-violent means but, as tactical move, he believe that the communists should "leave out of our propaganda the controversy of violence versus non-violence."<sup>3</sup>

In 1929 the AITUC met at its tenth annual session in Nagpur. Prior to the delegates open session, the Executive Council adopted a resolution favouring the affiliation of the Trade Union Center with the Pan Pacific Trade Union Secretariat. The resolution was responded by the communists and carried in spite of opposition from the non-communist wing of the leadership. These resolutions were evidently influenced by over all communist

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1. Raman, N.P., Political Involvement of India's Trade Unions, (Asia Publishing House: New Delhi, 1967), P.31.
  2. Overstreet & Windmiller, op. cit., PP 57 f and also Druhe, op. cit., chapter 283.
  3. Quoted in Overstreet, G.D. and Windmiller, op. cit., P.64

strategy. Divan Chamanlal, one of the dissident leaders who quite the organisation, protesting against the communist domination, declared :

"There was no option left to those of us who were not prepared to take our daily instructions from Moscow but to withdraw from the Trade Union Congress."<sup>1</sup>

Even M.N. Roy, the father of Indian Communism, was forced to admit later that the demands and slogans introduced by the communists and no bearing upon the realities of the situation as it concerned Indian Labour.<sup>2</sup>

Distinction has been made between the Communists and Royists because, by 1929, M.N. Roy had ceased to toe the official communist line laid down by Moscow and, for this and other reasons, had been expelled from the Comintern.<sup>3</sup> While the orthodox communists, or party faithfuls, accepted the leftward shift in the party's trade union strategy without question and plunged into tactics directed to ensure the hegemony of the working class, Roy and followers opposed the official policy on the ground that it ignored the realities of the Indian situation.<sup>4</sup>

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1. Labour Gazette, Bombay, IX, n.4, P.382

2. Roy, M.N., Indian labour and post-War Reconstruction, (Renainance Publishers : Calcutta, 1943), PP 14f. Roy differed from the Orthodox Kommunists in the estimation of the revolutionary potential of the Indian situation and held that the latter were labouring under romantic illusion.

3. Overstreet, G.D. and Windmiller, M., op.cit., P.142, have pointed out that Roy's policy disagreements with the Comintern "were not the only cause of his expulsion, of indeed they were any cause at all." Roy himself asserted that he was a victim of intrigue.

4. Basak, V., Some Urgent Problems of the Labour Movement in India, (Workers' Library Publishers : New York, 1932), PP. 14-15; Overstreet & Windmiller, op. cit., PP 119-120, see also Roy's comment on the resolutions adopted at the Nagpur Session (1929)

Roy had been directing communists activities in India from the beginning,<sup>1</sup> had all along been advocating, against opposition by Lenin himself, the anti-capitalist of leftist strategy in India. He had been arguing that the movement represented by the Indian National Congress was not objectively revolutionary potential should be developed as the vanguard of the Communist movement. But as the official policy swung to the left towards this position, Roy himself moved to the right and just about the time the sectarian policy found official acceptance and expression, Roy declared himself in favour of co-operating with the left-wing elements in the Indian National Congress and gradually strengthening the radical forces within that organisation. In leaders like Jawaharlal Nehru who were advocating socialist ideas Roy saw the nucleus of a revolutionary movement and the ground for optimism that the Congress Party itself could be steered to the left. Also he held the view that the working class in India was not yet ready for radical action as advocated by the party pundits.<sup>1</sup> This reason was that Indian were enough influenced by the Gandhian ideology of non violence.

Roy, in One year of Non-Cooperation recognised four contributions of Gandhism : (1) use of mass action for political purposes, (2) consolidation of the Indian National Congress, (3) the liberation of the national forces from governmental repression by the slogan of non-violence and (4) the adoption of

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1. Basak, op. cit., pp. 14-15; Overstreet & Windmiller, op. cit., P. 132.

the techniques of non-cooperation, non-payment of taxes and civil disobedience.<sup>1</sup> But, according to Roy, there were several shortcomings of Gandhism. (a) Gandhism lacked an economic programme to win mass support. (b) It wanted to unite all sections of Indians - exploiters like the landlords and capitalists with the exploited peasants and workers. (c) The incorporation of metaphysical propositions into political action was unfortunate because political dynamism was sacrificed at the alter of subjective considerations of conscience. (d) The reactionary economics of Charkha was <sup>un</sup>palatable to the Marxist, M.N.Roy. (e) Roy also criticized the vacillation of Gandhism.<sup>2</sup>

In a pamphlet, "Some Urgent Problems of the Labour Movement in India," written by Basak, a party faithful, the conflict between the Moscow line and Royist position was clearly brought out.<sup>3</sup>

Roy and his group, Basak lamented, were opposed to the official party position, because they thought the masses in India were not politically conscious and that talk of a general strike was "pure romanticism."<sup>4</sup>

Roy, who for many years had been staying in Europe and elsewhere, arrived in India in December 1930 and immediately devoted himself to work in the trade union field. Working underground, with the police in vigorous pursuit, he succeeded in

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1. Roy, M.N., One year of Non-Cooperation, op. cit., PP 50-56

2. Ibid., PP 56-60

3. Basak, op. cit., P. 13.

4. Basak, op. cit., p. 16.

getting a major section of the Trade Union movement to abandon ultraleftism and to adopt a more moderate policy under his leadership.<sup>1</sup> It was primarily Roy's influence that led to the defeat of the ultra leftist Communists at the Calcutta Session of the AITUC in 1931 and their subsequent isolation in the All India Red Trade Union Congress (AIRTUC). Roy, alongwith Giri, Ruikar, and others, was also influential in stalling the ultra leftists' efforts to organise a general railway strike.<sup>2</sup>

Another significant change in the view of Roy came to fore when the World War II began, the Roy group's argument that the Trade Union movement should flex its muscles in support of the war was based on Roy's own reaction to the war. Roy seemed to be concerned with the rise of fascism and with the possibility that its triumph might lead to the "destruction of the Soviet Union, the Mecca of all revolutionaries."<sup>3</sup>

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1. Overstreet and Windmiller, op. cit., P.148

2. Cf Basak, op. cit., P. 13; and also see, Durhe, op. cit., P. 132.

3. Roy, M.N., Jawaharlal Nehru, (Radical Democratic Party : Delhi, 1945), P. 29; Roy's view regarding the necessity of Russian help to Great Britain was, perhaps, only an after-thought, or else he was prophetic in his vision. Whatever the case, his fear of fascism as a threat to the Soviet Union is the point relevant to the present discussion.



### CHAPTER III

#### Indianisation of Trade Union Movement

##### (a) Policies and Programmes of the Trade Unions.

##### (i) Policies and programmes of the All India Trade Union Congress (AITUC)

Communists, who were in effective control of the All India Trade Union Congress at the end of the World War II, revised the Constitution of this Organisation in 1945. The revised Constitution declared that establishment of a Socialist State and the nationalisation of the means of production, distribution, and exchange as the primary aims of the organisation.<sup>1</sup> These were indeed the aims that had been before the organisation since the early thirties when the Trade Union movement came under the influence of the leftists. The amelioration of the economic and social conditions of the working class and other economic aims came only after the political objectives. The Constitution declared :

"The AITUC shall endeavour to further the... objectives by all legitimate, peaceful and democratic methods such as legislation, education, propaganda, mass meetings, negotiations, demonstrations and, in the last resort, by strikes and similar methods, as the AITUC may from time to time, decide."<sup>2</sup>

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1. "All India Trade Union Congress, Constitution, Session was held in Bombay, 1947) Article 2.

2. Ibid., Article 3.

This was a conventional statement to which the communists adhered neither before nor after 1945. In fact, a specific addition to the Constitution emphasised the Class War Thesis and the inevitability of the proletarian revolution. After describing a Trade Union as an organ of class struggle, the constitution further stated that :

" Its basic task, therefore, is to organise the workers for advancing and defending their rights and interests; and although collective bargaining is the necessary implication of a Trade Union and although in the transitional period to socialism, negotiations, representations, joint actions and other methods of collective bargaining must remain an integral part of Trade Union activities, labour and capital cannot be reconciled within the capitalistic system."<sup>1</sup>

The teaching of the Communist seers were thus plainly incorporated into the AITUC Constitution.<sup>2</sup> It was significant that the irreconcilability of class interests was stressed even though the Communists were simultaneously stressing their willingness to cooperate with management. It was perhaps indicative of the fact that dogma remained unchanged while the tactics had shifted to suit the circumstances.

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1. Ibid., Article 5 (a) (i), Explanation.

2. Cf. Overstreet and Windmiller, op. cit., P. 374.

It may be recalled that at the end of World War II, Trade Union under Communist leadership were pursuing the united front tactics. In line with this, the AITUC was willing to be signatory to the Industrial Truce Declaration of December 1947.<sup>1</sup> But even in the course of 1947, radicalism was gaining ascendancy in Communist policies. In that year Communist Trade Unions precipitated violent strikes and riots in industrial centers of South India such as Madura, Coimbatore, and Golden Rock.<sup>2</sup> In 1948, more and more of the Trade Unions affiliated to the AITUC resorted to violent strike. To climax these all, the AITUC planned a countryside railway strike to be followed by a general strike. Early in 1949, the opportunity presented itself when the independent All India Railwaymen's Federation served notice of a strike to begin on March 9, 1947, but the executive body of the organisation decided subsequently to cancel the strike. Communists in the federation attempted to push through with the strike inspite of the majority decision, but failed as the government counter checked their maneuvers by arresting all Communists inciting the workers to go on strike.<sup>3</sup>

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1. The AITUC stated that it has prepared to observe the Truce even though it did not believe in the possibility of peace in industry for profit prevailed, provided the government and the employers played their part. See, Summary of the Proceedings of the Indian Labour Conference, Ninth Session, (Government of India, 1949), PP. 224-226, letter from the AITUC to the Secretary, Ministry of Labour, Government of India, March 4, 1948.

2. People's Age, (Bombay), September 14, 1947, P.8.

3. People's Age, (Bombay), August 28, 1948 and October 17, 1948.

During this period of radical action, S.A. Dange has noted, "to give a call of strike at all costs alone was considered by the Party leadership the attribute of revolutionary trade unionism, without reference to ...the objective justifiability or appropriateness of the call."<sup>1</sup> Attempts were made, reminiscent of the activities during hegemony of the working class.<sup>2</sup> Rival labour organisers were physically attacked, in some cases even murdered, and machinery and factory equipment destroyed or damaged.<sup>3</sup> This period of violent, radical action came to a close only at the end of 1950.

Developments in the Communist Party affairs, showing that the adventurist policy of the AITUC and the Unions affiliated to it during this period was in fact in accord with the Party's programme even though some veteran trade unionists questioned the wisdom of such a policy, can be outlined at this point.

In August 1946, The Communist Party of India abandoned its policy of cooperation and called for a "bold and militant" leadership of the working class culminating in a political general strike.<sup>4</sup> This was, however, combined with a plea for moderation by an influential section of the Party leadership. But the radical wing, led by Ranadive, soon gained the upper hand and a full programme of revolutionary struggle emerged coincidentally

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1. Dange, S.A., On the Indian Trade Union Movement, (Communist Party of India publication : Bombay, 1952), P.51.

2. Ibid., P. 53

3. Communist Violence in India, (Ministry of Home Affairs of the Government of India : New Delhi, 1949), Passim.

4. Overstreet and Windmiller, op. cit., P.242

with the advancy of a radical line by international communism.<sup>1</sup>  
In December 1947, the Party called for an uncompromising struggle against the government.

Ravandive, who had led the ultraleftists in the early thirties, emphasised Once again the anti-capitalist strategy and pushed the revolutionary struggle in the trade union field. As one his comrade pointed out :

"because of his Trade Union background and his admiration for Russian style insurrection, his proclivity was to urban rather than agrarian revolution, and he concentrated more and more on mobilising violence in the cities in order to seize power through a general strike."<sup>2</sup> In August Ranadive predicted a general strike within six months and encouraged violent strikes in the railways and other key areas.<sup>3</sup>

The Ranadive faction was rushing too fast into the battle field and counsels of restraint came both from the Cominform and from Communist leaders with long experience in Trade Unions, such as P.C. Ghosh and S.A. Dange. Ghosh asserted that the Party's trade union tactics were fundamentally wrong." But Ranadive reorted with a threat of expulsion from the Party.<sup>4</sup>

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1. People's Age, (Bombay), December 7, 1949, Also cf. Overstreet and Windmiller, op. cit., PB. 267 and ff.

2. Overstreet and Windmiller, op. cit., P. 278

3, Probodh Chandra, "On 'A Note on the Present Situation in our Party'," Open Forum, (Bombay), October 1959, P.5.

4. Ibid., P. 31f.

Dange saw his hold on the Bombay unions weakening as a result of Ranadive's extremist tactics and denounced him for these activities and for rushing head long into violence.<sup>1</sup> Neither Ghosh nor Dange was opposed to violence, but both were concerned with the possibility that its use might be premature : in this way they were reactionary like Roy did during the ultraleftist days of 1930-32.

According to Dange's recapitulation of the Party is policy during this period : the leadership of the Party turned sectarian and bureaucratic. Where Trade Union comrades reported the mood of the masses correctly, it instituted a militarist bureaucratic discipline in place of democratic voluntary discipline. The failure of strike slogans was attributed to failure of individual cadres to act; the latter was expelled and the Party and the Trade Unions weakened. Trade Union and Party work almost made identical, forgetting the warnings of the international. Mass trade union work was given up in the name of politicalisation of the working class.<sup>2</sup>

The manipulating hand of the Communist Party of India behind the adventurist activities of the Communist-led Trade Unions was exposed also by the Government. Jawaharla Nehru, Late Prime Minister of India, told the Parliament on February 28, 1949 :

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1. Cited by Overstreet and Windmiller, op. cit., P. 285.

2. Dange, S .A., "On the Indian Trade Union Movement," op. cit., PP. 50-51.

"The CPI has recently concentrated on the issue of a general strike in the railways as well as in other essential services of paramount importance to the community. It has looked upon these strikes not from the Trade Union or economic point of view, meant to better the lot of the workers, but as a weapon designed to create a chaotic state in the country which, it is brought, would help the Party gain its objectives, whatever they might be. It is deliberately seeking to create famine conditions by paralysing the railway system so that the food stuffs should not be transported, the object being to create a general background of chaos, a breakdown of administration and mass uprising."<sup>1</sup>

In April 1949, Dange, Ghosh, and S.V. Ghate issued a joint statement averring that Communist Trade Unions were in a state of "complete paralysis and stagnation" as a result of the adventurist policy under the direction of Ranadive and Rajeshwar Rao.<sup>2</sup> An editorial in the Party Organ, Communist, subsequently admitted that :

"while fighting reformism, which acted as a brake on the unleashing and the bold leadership of the struggle of the workers and the toiling masses, the Party

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1. Hindu, (Madras), (March 1, 1949).

2. Overstreet and Windmiller, op. cit., P. 302.

Centre Committee certain errors in dogmatist and sectarian directions, which restricted the scope of those struggles and prevented the mobilisation of the broadest masses in the same."<sup>1</sup>

In a circular issued to Party ranks at the end of 1950 the CPI declared that, in the face of the government's hostility towards its activities, illegal trade unionism was to be used as the principal form of organisation and that strikes, economic and political, should be conducted without giving an opportunity to the government to crackdown.<sup>2</sup> As Massani Rao pointed out :

"The perspective was not of a general strike and the capture of the cities leading to armed rebellion in the rural areas, but just the opposite. The perspective was armed guerrilla resistance in rural areas linked with and based on agrarian revolution, the gradual establishment of liberated bases and the setting up of liberation armies for the purpose of finally overthrowing the government."<sup>3</sup>

In May 1951, a further shift in the policy of the CPI was made public and what has been described as a platform of People's Democracy was announced.<sup>4</sup> In the Policy Statement, the

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1. Communist, (Bombay), (February - March, 1950)
  2. Dange, S.A., On the Trade Union Movement in India, op. cit., P.51 also Massani M.R., The Communist Party of India, PP 29-130.
  3. Massani, M.R., The Communist Party of India, (The MacMillan Company New York, 1954) P. 130.
  4. The strategy of "People's Democracy" - Overstreet and Windmiller have pointed out- seeks to unite the four classes against capitalism itself, and not against imperialism. "That is to say, the business classes may be asked to support the Communist Government in its policy and they may be educated in "Socialism". For detailed study see, Overstreet and Windmiller, op.cit., P. 6.



Party declared :

"The CPI has adopted a programme, in which it says that it "regards as quite mature the task of replacing the present anti-popular and anti-democratic Government by a new Government of "People's Democracy."

For a time, it was advocated that the main weapon in our struggle would be the weapon of general strike of industrial workers, followed by country- wide insurrection as in Russia."<sup>1</sup>

The relationship between the policies of the AITUC and the CPI has been evident also in their common approaches to India's economic plans. Echoing the Party's stand, the AITUC attacked the First Five Year Plan, announced in 1951, as no plan at all.<sup>2</sup> But the AITUC decided at its Twenty fifth Annual Session held in Ernakulam (Kerala) in December 1957 that it would support the Government's Second Five Year Plan (1956-61)", specially to expansion of heavy industry."<sup>3</sup>

Dange a policy of restraint, stating :

" Struggle will continue to be conducted, but every struggle need not culminate in a stike and struggles no longer be conducted in the old way. Values are changing in our country, and in present conditions, strikes must be peaceful in order to secure the largest measure of popular support and sympathy."<sup>4</sup>

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1. See, Policy Statement, (The Communist Party of India Publication : Bombay, 1951).
  2. AITUC, On Industrial Relations, (G.V. Chitnis : Bombay, 1952), P.12; also see, Trade Union Record, (Bombay) Vol.X, No.7, P.19.
  3. New Age, (New Delhi), January 5, 1958, P.15.
  4. Ibid., P. 15.

The shift was in line with the CPI's new policy of conditional cooperation with the Nehru Government.<sup>1</sup> The endorsement of peaceful strikes was also in keeping with the CPI's shifting public attitude towards the question of violence which finally led to its Amritsar Declaration early in 1958 that it would in future adhere to constitutional means, a declaration that has not always been acted upon by it.<sup>2</sup>

(ii) Indian National Trade Union Congress (INTUC)

,At the time of its inauguration, it was claimed by the organisers of the Indian National Trade Union Congress that its basic philosophy was provided by the Ahmadabad Trade Labour Association (TLA); that, in other words, it would function on Gandhian Line.<sup>3</sup> Its objectives may be classified as follows :-

- (a) To establish an order of society which in free from hindrances in the way of an all-round development of its individual members, which fosters the growth of human personality in all its aspects, and goes to the utmost limit in progressively eliminating social, political or economic exploitation and inequality, the profit motive in the economic activity and organisation of society and the anti-social concentration of power in any form;

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1. Overstreet and Windmiller, op. cit., P. 374.

2. The Amritsar Declaration was made only in April 1958, but already towards the end of 1957, the Amritsar line was perceptible in the counsels of the Communist Party.

3. Desai, K., cited by Rastogi, op. cit., P. 131.

- (b) To place industry under national ownership and control in suitable form in order to realise the aforesaid objectives in the quickest time;
- (c) To organise society in such a manner as to ensure full employment and the best utilisation of its man-power and other resources;
- (d) To secure increasing association of the workers in the administration of industry and their full participation in its control;
- (e) To promote generally the social, civic and political interests of the working class.<sup>1</sup>

Despite its resemblance to Gandhian ideas, the first objective of the INTUC contains no endorsement of Gandhian economics at all. Significantly, perhaps as an acknowledgement of the Gandhian doctrine, there is no reference to the theory of class war or the Trade Union being an organ of class struggle, but equally significantly, there is no specific endorsement of the "trusteeship formula" which Gandhi considered as crucial to the non-violent evolution of an egalitarian society, or of the system of "production of the masses."

In subsequently years, the INTUC has called for the development of cottage and small scale industries but unlike Gandhi who would decentralise the entire production system and take it to the homes of the artisans, the INTUC has given only a secondary role to cottage and small scale industries.<sup>2</sup>

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1. Bose, S.N., "Aims and objects of the Indian National Trade Union Congress," Indian Labour Code, (Eastern Law House Private Ltd. : Calcutta, 1957), PP. 148f.

2. See, Annual Reports of the INTUC.

This policy of limited support for cottage industries has been based apparently only on a recognition of the need to tackle the acute unemployment problem, because the INTUC has admitted ~~to no~~ Gandhian repugnance to industries. Obviously, the INTUC does not share Gandhi's dim view of large - scale industrialization because it has declared its support of the programme of <sup>a</sup> rapid industrialization as contained in the Five Year Plans of the Congress Party Government.<sup>1</sup> It is also significant that the INTUC has endorsed the Congress Party's proclamation of the goal of a "Socialist Pattern of Society" by adopting, at its Seventh Annual Session in Nagpur in December 1954, the following resolution on the New Social Order :

"The adoption by the Government of India of the policy of establishing a socialist pattern of society is a landmark in the history of the peaceful revolution, following the attainment of Independence, for full social and economic freedom through peaceful and democratic means. It implies in the present circumstances, within the preamwork of the present mixed economy, with private sector functioning under more and more controls and regulations, a greater and speedier elimination of the vested interests of the nation. Thus the State in a sense assumes the sacred trust of producing and supplying the essential and basic

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1. The Five year Plans of the Congress Party Government of India have placed emphasis on rapid industrialization, specially the development of basic and heavy industries, as the key to the development of the Indian economy. See Planning Commission, Second Five Year Plan, (Government of India: New Delhi, 1956) P. 28.

needs of the country by the country....”

The Conference welcomes the New Policy and pledges its full support to it.”<sup>1</sup> The full import of this resolution lies in the fact that it represents the INTUC's endorsement of a "Socialist Pattern of Society," and the production of the essential and basic needs of the country by the state. The latter specially did not form part of the Gandhian order of the future. Viewed in the perspective of these later developments, the Constitutional-aims to place industry under national ownership and control is seen to be more in line with orthodox socialist ideology than Gandhian thinking.

The INTUC Constitution also listed the following among its objectives :

(a) To establish just industrial relations; (b) to secure redress of grievances without stoppage of work by means of negotiation and conciliation and failing these by arbitration or adjudication, (c) where adjudication is not applied and settlement of disputes within a reasonable time is not available for the redress of grievances, to have recourse to other legitimate methods, including strikes or any suitable form of Satyagraha. (d) to make the necessary arrangements for the efficient conduct and speedy conclusions

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1. Indian Worker, (New Delhi), III, n. 15, January 8, 1955.

of authorised strikes or Satyagraha.<sup>1</sup>

The Declaration of the aim of "just" industrial relations is noteworthy; so also the constitutional provision that "the means to be adopted for the furtherance of the objects shall be peaceful and consistent with truth."<sup>2</sup> This impact of Gandhian ideology is patent here as well as in the emphasis on the settlement of labour disputes without resort to the strike. Considering the fact that the prime-movers of the organisation were Sardar Patel and Gulzarilal Nanda, both pillars of the HMSS, like Khandubhai Desai, Somnath Dave, and S.R. Vasavada, this should not be surprising. Having failed to unseat the AITUC from Communist leadership or reshape it in the image of the TLA, the Congress Party and the HMSS had taken the course of fashioning a new organisation according to their own design. But, as pointed out earlier, it was not simply admiration for and belief in the Gandhian approach that was responsible for its adoption. The Gandhian model had been before the country for nearly thirty years without being adopted by the Congress nationalists. Therefore, when it was taken up by the INTUC it was probably because the Gandhian technique, with its demonstrated effectiveness in the settlement of labour-management difference

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1. Bose, S.N., "Aims and Objects of the Indian National Trade Union Congress," Indian Labour Code, (Eastern Law House Private Ltd : Calcutta, 1957), PP. 1487-1488

2. Ibid., PP. 1487-1488.

with stoppage of work, was held to be useful in the context of the abnormal economic and political situation in the country. The Congress Party had assumed office in New Delhi as well as in most of the provincial seats of government, and with power had come responsibility. Furthermore, the Communists were openly challenging the industrial peace.<sup>1</sup> The INTUC's policy of moderation and avoidance of strikes thus reflected the resort to the Congress Party as a strategy and a tactics. This interpretation is confirmed by the fact that the INTUC adopted the Gandhian approach without a concomited endorsement of Gandhian economics and indeed went on to endorse Congress Party objectives within the framework of orthodox socialism.<sup>2</sup>

Emphasising the close relationship between the Congress Party and the INTUC, Jawaharlal Nehru declared as far back as 1953 :

" Technically the INTUC and the Indian National Congress are two separate organisations ....

Still it goes without saying that the INTUC has been sponsored and nursed mostly by Congressmen derives its strength from the moral and other support of the Congress. As such it is imperative that in all political

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1. The plicy of compulsory settlement of industrial disputes through arbitration or adjudication was rejected by the AITUC at its Calcutta Session in February 1947.

2. G.D. Ambedkar, INTUC President said in 1955, in a Press Conference in Nagpur, quoted in Indian Workers, (New Delhi) III, n. 15, January 8, 1955.

matters all Congressmen working in the INTUC should treat Congress as the supreme body and abide by its code of conduct."<sup>1</sup>

The agreement between the Congress Party and the INTUC in 1958 codified this relationship by (a) calling upon INTUC members to strengthen the Congress Party and (b) requiring the INTUC to follow the Congress Party's policies in political matters, while (c) requiring Party members functioning in the INTUC to abide by the Trade Union Center's decisions in trade union matters.<sup>2</sup> While providing for the authority of the trade union center in trade union matters, this agreement, as pointed out before, did not overcome the practical difficulty of distinguishing between "political" and "trade union" matters.<sup>3</sup> In the circumstances, it is indeed difficult to establish that the INTUC has functioned independently of the Congress Party.

(iii) Policies and programmes of the Hind Mazdoor Sabha (HMS).

Statements made at the Calcutta Conference giving birth to the Hind Mazdoor Sabha and the Constitution of the H.M.S. both revealed the fact that the formation of this Trade Union Center and the shaping of its policies were influenced by the political considerations of the socialists.<sup>4</sup>

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1. Times of India, (Bombay), December 20, 1953.

2. Myers, op. cit., P. 79

3. Myers, op. cit., P. 79

4. See, Report of the Calcutta Conference, (Hind Mazdoor Sabha : Bombay, 1948).



The Manifesto of the HMS was identical to the "labour policy" of the former Socialist Party.<sup>1</sup> The declaration by the HMS that one of its objectives was "to organise for and promote the establishment of a Democratic Socialist Society" was a statement of a pre-eminently political aim, an aim which was identical to that of the Socialist Party, and it was inscribed in the HMS Constitution by the Socialist Party leaders in spite of opposition from other left-wing elements at the Calcutta Conference.<sup>2</sup> That this objective was pressed into adoption by the socialists, even though the leftist unity they were claiming to forge in the field of labour was for the very reason foundering, was for testimony to the fact that Trade Union interests were being sacrificed at the alter of Party ideology. For the socialists the Trade Union was merely a sphere of party activity, an instrument for realizing the goal of socialism. This was true the very beginning when they banded themselves together in the Congress Socialist Party. Jay Prakash Narayan, who was General Secretary of the Socialist Party at the time the HMS was launched, traced this development in his "<sup>Annual</sup> Report to the Party" :

"Building up of class organisations of workers and peasants so as to conduct through them the struggle for the removal of class injustice and fulfilment of immediate class demands was from

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1. The Socialist Party of India, Policy Statement (Bombay, 1949), PP. 26-27, and also see, Report of the Calcutta Conference, (Hind Mazdoor Sabha : Bombay, 1948).

2. Weiner, M., Party Politics in India, (Princeton University Press : New Jersey : 1957), P. 153.

beginning place in the forefront of the Party's Programme. It was rightly believed that this would prepare the masses not only for the ultimate achievement of socialism but also for the immediate struggle against imperialism."<sup>1</sup>

In 1948, Jayprakash Narayan further said :

"The working class and the peasantry form the main sphere of Party activity. The number of Trade Unions under the influence of the Party in various provinces is 797 with a total membership of 553, 168."<sup>2</sup>

The extent of the "influence" of the Party over Trade Union decisions emerged clear from this further statement by Jayprakash Narayan :

"as you know, the National Executive of the Socialist Party decided last June to withdraw all unions under the Party's influence from the all India Trade Union Congress which is dominated by the Communist Party. It was also decided that these unions should not also join the new organisation, the INTUC, sponsored by right-wing Congressmen. The need for a central labour organisation

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1. Socialist Party, Report of the Sixth Annual Conference,  
PP. 86-87.

2. Ibid., PP. 106-107.

of the Party has therefore been keenly felt."<sup>1</sup> The point of importance is that the decisions regarding secession from the AITUC and affiliation with another Trade Union Center, with respect to the unions that initially joined together to form the Hind Mazdoor Panchayat and ultimately the Hind Mazdoor Sabha, were made not by the members or the executive bodies of the respective unions but by the National Executive of the Socialist Party. The logical conclusion is that, first the Hind Mazdoor Panchayat, and subsequently the HMS were formed to fulfil "the need for a central organisation of the Party" in the labour field.

The statement that "the Labour Movement hopes to soar high on the two wings of combative and constructive activities" also reflected the political philosophy of the Party which was in the throes of change. From its beginning, the dominant theme of the Party had been Marxist, even though there were powerful forces within the organisation advocating respectively social democracy in the tradition of the British Labour Party and democratic socialism tempered with Gandhism, but by 1946 the accent had shifted to a blend of Marxism and Gandhism, to a democratic socialism related to Indian realities.<sup>2</sup> Emphasis was shifted from

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1. Ibid., P. 108

2. Rusch, T.A., "Dynamics of Socialist Leadership in India", Leadership and Political Institutions in India, ed. by Parks, R.L. and Tinker, J., (Princeton University Press: New Jersey, 1959), P. 201.

the merely revolutionary and agitational aspects of functioning to a synthesis of revolutionary and constructive activities. Jay-prakash Narayan dealt with this development in his "General Secretary's Annual Report" in 1948 :

"The theory that all politics are power politics has the necessary underlying basis ... that the State is the only instrument of social good. In other words, those who subscribe to this theory believe... that must capture the State in order to be able to serve society and bring about the social transformation they desire.

I reject this view completely. The experience of countries, whether fascist or communist, has shown that if the State is looked upon as the sole agent of social reconstruction, we get nothing but a regimented society in which the State is all power -ful and popular initiative is extinct and the individual is made a cog in the vast unhuman machine....

Democracy requires that the people should depend as little as possible on the State. And, both according to Mahatma Gandhi and Karl Marx, the highest stage of democracy is that in which the State has withered away.... It is necessary for the growth of full democracy that popular effort has the freest possible chance, and that the people, through varied kinds of economic and cultural organisations and institutions, are enabled and encouraged to improve their condition and manage their affairs.

I believe that whether or not we have the government in our hands, if we succeed in constructive work in creating a sound Trade Union movement capable of running industry; in educating the working class in the arts of citizenships.. if we

succeed in all this, we shall also succeed in building up a socialist society. In this event, the State will inevitably become on Socialist State.... It will only be an instrument in the hands of a popular socialist movement - i.e., of the people organised independently of the State for a socialist way of living - rather than the source and fountain head of all authority and will."<sup>1</sup>

It is in this perspective that the addition of constructive ■ activities to the fractionally combative activities of the Trade Union must be viewed. Class struggle had not been abandoned but only the forms of its manifestation had been expended.<sup>2</sup> The underlying considerations were still related to power. This was made clear by Achyut Patwardhan :

"Our role... should not be negative. Our role must be constructive. We must organise the people - the Kisans, the mazdoors, and through constructive work amongst them we must create force of power. We have to build organisations which can develop the forces of social change.... We will have to develop and intensify constructive and combative activities."<sup>3</sup>

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1. Socialist Party, Report of the Sixth Annual Conference, PP. 98-99.
  2. In his address as Chairman of the Special Convention of the Socialist Party in 1952, Ram Manohar Lohia said : that the class struggle against capitalism is expressed through two major types, that which destroys capitalism in one of its aspects and reinforces it in another and the other which achieves socialism. Socialism must devise forms of struggle and organisation that destroy capitalism in both its aspects. Its struggle and organisation must correspond with its economic aims. Not remote but immediate tests should be applied to the expression of class struggle. Each act of struggle should contain its own justification. The immediate test of the good act should characterize the class struggles of socialism. Communist modes of action and class struggle completely fail

Thus the very basis of the HMS was that the Trade Union is an organ of class struggle and a school of democracy rolled into one, an instrument, of the Party and like the Party, to fight for the achievement of democratic socialism. Other objectives relating to essentially labour matters were included in the Constitution of their Trade Union Center, but the envelop of action was political. In other words, the existence as well as the basic approach of the HMS were determined by the political consideration of the Socialist Party.

The declaration in the HMS Constitution that in the promotion and realization of its aims and objects, "the Sabha shall employ all legitimate, peaceful, and democratic methods" also owed its inscription to the prevailing Party line. With the establishment of rapport between Marxism and Ghandhianism by the socialists, the use of violence implied in the ideological goal of establishing socialism through the capture of state power and the exercise thereof was replaced by an emphasis on "non-violent,

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the test of immediacy. High priests of communism have rejected all notions of absolute morality and have raised evil behaviour into a noble virtue as long as it serves the cause of revolution. See, Report of the Special Convention of the Socialist Party, Socialist Party publication : Bombay, 1952), PP. 140-142.

3. Socialist Party, Report of the Sixth Annual Conference, PP. 18-19.

direct-action struggles against 'injustice'.<sup>1</sup> This shift in attitude was yet noticeable only among the top leadership of the Party, while the rest failed to comprehend it; however, the HMS Declaration in favour of peaceful and democratic methods was undoubtedly the result of the top leadership's initiative.<sup>2</sup>

(iv) Policies and programmes of the United Trade Union Congress (UTUC)

The Constitution of the United Trade Union Congress (UTUC) lists the following among its objectives :

- (a) To establish a Socialist Society in India.
- (b) To establish a Workers' and Peasants' State in India.
- (c) To nationalise and socialise the means of production, distribution and exchange.
- (d) To safeguard and promote the interests, rights and privileges of the workers in all matters, social, cultural, economic, and political.<sup>3</sup>

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1. cf. Rusch, T.A., "Dynamics of Socialist leadership in India" op. cit., PP. 201

2. See, Ibid., The HMS Declaration reflected the thinking of top Socialist Party Leaders like Jayaprakash Narayan, Asoka Mehta, and Ram Manohar Lohia.

3. Bose, S.N., "Aims and objectives of the Indian National Trade Union Congress." Indian Labour Code, (Eastern Law House Private Ltd. : Calcutta, 1957), P. 1488; and also see Draft Constitution of the UTUC (United Trades Union Committee : Calcutta, 1948).

In the promotion and realisation of the above aims and objects, the UTUC shall employ all legitimate, peaceful and democratic methods such as education, propaganda, mass meetings, negotiations, demonstrations, legislations, and the like, and, in the last resort, strikes and similar other methods, as the UTUC may, from time to time, decide.<sup>1</sup>

The objectives of the UTUC are mostly the same as those of the leftist parties that had joined together to initiate it and are particularly similar to the goals of the Revolutionary Socialist Party. The goals of a Socialist Society, and a Workers' and Peasants' State were obviously inspired by Mrinal Kanti Bose and other leaders of the Revolutionary Socialist Party.

It is significant that, in the list of objectives, consideration of labour's interests occupies only the fourth place, the first three objectives being clearly political.

It is equally significant that, even though all the leaders sponsoring it were advocates of "revolution" and had no feeling for non-violence, the UTUC endorsed "legitimate peaceful and democratic methods." This curious phenomenon is perhaps

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1. Bose, S.N., "Aims and Objectives of the Indian National Trade Union Congress," Indian Labour Code, (Eastern Law House Private Ltd.: Calcutta, 1957), P. 1483.



explained by the fact that the paragraph relating to methods by the fact that the paragraph relating to methods was taken over from the old Constitution of the AITUC, except for the substitution of names. Most likely, Mrinal Kanti Bose was responsible for this development. Bose had stayed with the moderates in the thirties when the Communists inundated the Trade Union field with a flood of violence and asked that the latter give up violence in the interests of Trade Union unity.<sup>1</sup> Perhaps also, the endorsement of peaceful methods was a genuine attempt to keep the UTUC broad based enough to permit the development of Trade Union unity under its banner. Since the leftist parties were traditionally weak and depended for their strength on united fronts, joint actions and similar collaboration undertaken in common with larger parties, sponsors of the UTUC were probably keeping the door open for the socialists.

(v) Policies and Programmes of the Centre of Indian Trade Union (CITU).

The Communist Party of India (Marxist) aims at establishing a People's Democracy in India. It claims that for the complete fulfilment of the basic tasks of the Indian revolution in the present stage it is absolutely essential

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1. Weiner, M., Party Politics in India, (Princeton University Press : New Jersey, 1957), PP. 119-122.

"to replace the present bourgeois-cum-landlord state headed by the big bourgeoisie", by a People's Democracy under the exclusive leadership of the working class.<sup>1</sup> The national democratic state, the CPI (M) characterises as class collaboration and a strategy which would objectively lead to the sabotage and betrayal of the revolution, because it cannot be expected that the bourgeoisie would cooperate in the task of the complete liquidation of imperialism and fundlism and the freeing of the people from the grip of monopoly capital.<sup>2</sup> According to the CPI (M), the working class alone can be the leader of the front. The CPI (M) wants to destroy the Indian State completely and to establish a People's Democracy in its place. To attain this end it seeks to develop a People's democratic front. This front is to be led by the working class.

To achieve this goal the AITUC which is affiliated with the CPI was split into two Trade Unions - the AITUC and the CITU. The Centre of Indian Trade Union (CITU) as the CPI (M) dominated union began a four day conference in Calcutta on May 28, 1970. The objects of the CITU will be, according to the draft constitution of the organisation, to establish a Socialist State in India, to socialise and nationalise the means of production, distribution and exchange, and to ameliorate the economic and social conditions of the working class.<sup>3</sup> Jyoti Basu, said the AITUC had been transformed

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1. Programme of the Communist Party of India, (Adopted by the Seventh Congress of the Communist Party of India at Calcutta, October 31 to November 7, 1964) P.45.
  2. Ghosh, S., Socialism and Communism in India, (Allied Publishers: New Delhi, 1971), PP. 415-416.
  3. Asian Recorder, Vol. XVI, No.26, June 25 - July 1, 1970 PP. 9618-9619.

by the revisionists into an instrument of surrender to the bourgeoisie and a drag on determined militant struggle. The revisionists (AITUC) had seized the leadership of the organisation and made it their special preserve by undemocratic methods of functioning and keeping out representative unions over which they had no control. P. Ramamurti declared that the decision to form a separate trade union organisation (CITU) was not easy one. But it was necessitated by the development in the country, political, economic and the role that the existing trade union centres had played and were playing in these developments.

As they defined it the State is a special organisation of force; this an organisation of violence for the suppression of some class. The bourgeoisie states may vary in form but their essence is the same, i.e., in the final analysis they are nothing but dictatorship of the bourgeoisie. Similarly, the proletarian states may assume different forms, but their essence can be nothing but the dictatorship of the proletariat or working class. The modern working class, in its fight for political power and social emancipation, at every stage of its development, is inevitably confronted with the bourgeoisie state, i.e. the special organisation of violence to suppress the working class. Thus, the

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problem of how to meet this bourgeoisie violence with a view to putting an end to all violence in the relations of men in one of the key problems of the socialist revolution. It was proclaimed that they would strive to achieve the establishment of People's Democracy and socialist transformation through peaceful means. By developing a powerful mass revolutionary movement, by combining parliamentary and extra-parliamentary struggles, the working class and its allies will try their utmost to overcome the resistance of the forces of reaction and to bring about this transformation through peaceful means.<sup>1</sup>

(b) House divided against itself.

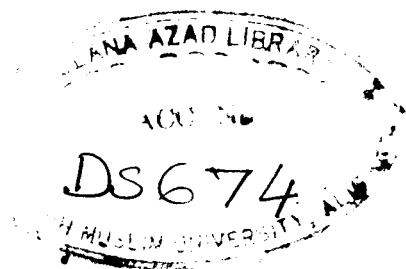
In Nagpur in 1929 at the 10th Annual Session of the AITUC, when the Communists, who had captured the Executive Council of the Trade Union Center, acted further to consolidate their position in the organization. The Constitution of the AITUC provided that voting in the open Session was to be on a basis proportionate to the membership of the affiliating unions. Since the Constitution did not provide any means by which the membership claims of its affiliates could be scrutinized, it was possible for an affiliated union to claim exaggerated figures of membership and seek greater control of the affairs of the Congress. This was the point on which the Communists move to gain control of the delegates' open Session was apparently centered. It was claimed

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1. Ideological Resolution. (Adopted by the Central Plenum, at Burdwan, April 5-12, 1968).

by the Communists that the Girni Kamgar Union, Bombay, and the G.I.P. Railwaymen's Union, Bombay, had 54,000 and 45,000 members respectively and these unions should be allotted votes on the basis of these figures. Moderate leaders like Diwan Chaman Lal, V.V. Giri, N.M. Joshi, B.Shiva Rao, S. Guruswamy, and Varadarajulu Naidu - members of the Indian National Congress as well as independents - discovered the strategy behind this move and realised that if it were allowed to succeed, the Trade Union Centre would practically be in the hands of the Communists and other radicals. They asserted that the membership claims of the Girni Kamgar Union and the G.I.P. Railwaymen's Union were fictitious and, since the figures were not based on audited statements refused to accept them as valid.<sup>1</sup> They suggested alternative figures which lower and which in the case of the Girni Kamgar Union were

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1. It has not been possible to establish whether the figures relating to membership of the Girni Kamgar Union and the G.I.P. Railwaymen's Union, as claimed by the communists, were really inflated. It might have been that a considerable proportion of the "members" did not pay any dues or were not formally enrolled as members. The Royal Commission's inquiry revealed (Evidence, Passim) that trade unions during this period considered as members all workers taking part in strikes called by them. But the observations of the Royal Commission in its Report, (P.317) that the Communists managed to sweep 50,000 Cotton Mill workers of Bombay into communist organizations should also be noted.



as low as 6,000. Their objection was, however, rejected by the Communist majority in the Executive Council. The first major round in the battle between Communists on the one side and the moderate nationalists and politically independent trade unionists on the other was thus won by the former.

During the Nagpur Session of the AITUC, the Communists, inspite of opposition from the moderate wing, forced the passage of resolutions which called for the affiliation of the organisation with the League Against Imperialism, the Pan Pacific Trades Union Secretariat, and the Workers' Welfare League of India in Great Britain. They also introduced and secured the adoption of several revolutionary resolutions, Controversy between the Communists and the moderates centered not only on these issues, but also on the questions of Trade Union participation in the activities of the International Labour Organisation and the Royal Commission's inquiry into the conditions of factory labour, which had been announced by the Government of India. Finding compromise with the Communists unacceptable, the moderates led by Chamanlal, Giri, Joshi, and others and consisting of representatives of twenty four affiliated unions, seceded from the AITUC. In a statement issued by them, this dissidents charged that the AITUC, "under the control and direction of the new majority in the Executive Council, will be fundamentally opposed to the genuine interests of the working class."<sup>1</sup> Shortly afterwards, they formed a separate Trade Union center, namely, the Indian Trades Union Federation (ITUF)

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1. Labour Gazette. Bombay, Vol. IX, No.4, P. 382.

with V.V. Giri as President and R.A. Bakhale as General Secretary. Both Giri and Bakhale were members of the Indian National Congress. Militant nationalists like Subhas Chandra Bose remained in the AITUC. A Communist, S.V. Deshpande, was elected as the General Secretary of the AITUC.

The differences between those who remained in the AITUC and those who left it were not only in their achievement. The group that had captured the AITUC consisted chiefly of Communists whose programme called for a proletarian revolution leading to the dictatorship of the proletariat. Violent action constituted the heart - beat of their policy and violence in the Trade Union field was perfectly in order. The militant nationalists also believed that the use of violence in the liberation of the country from British rule was necessary and therefore justified. The dissident group, on the otherhand, sheltered political leaders professing different degrees of socialism and some whose platform extended no further than reform on traditional, British, liberal lines. Most of this group were moderates who did not like violence and this applied even to some who did not join Gandhi's movement of non-violence non-cooperation.

The Communists' victory in Nagpur was pyrrhic. As a result of the split, and also because of the incarceration of the prominent communist leader, the AITUC resembled Samson Shorn of his locks.<sup>1</sup> Therefore, a group led by M.N. Roy, a Communist who was seeking to lead the Communist Party from abroad, initiated moves for Trade Union unity, but they met with vigorous opposition

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1. Cf. Karnik, V.B., "The Indian Trade Union Movement," Indian Labour, (Delhi), V. N. 11 (Nov-1947), P.332. According to Karnik, the AITUC at this time was a "mere paper organisation."

from communists who did not belong to the Royist group. The struggle between the two groups came to a head at the Annual Session of the AITUC held in Calcutta in July 1931 under the presidency of Subhas Chandra Bose. A fight between S.V. Deshpande, leader of Orthodox Communists, and the candidate of the Royist group, G.L. Khandalkar, as to who was the rightful representative of the Girni Kamgar Union of Bombay was decided in favour of the latter by the Credentials Committee. The Annual Session ended in disorder as Deshpande and a group of unions which also had been denied recognition withdrew from the AITUC and held a separate session. The result of the separate Session was the emergence of the All-India Red Trade Union Congress with leadership in the hands of hardcore communists.

Thus, at the beginning of the thirties, the Trade Union movement presented a picture of disunity. There were three Trade Union centres, namely, the AITUC led by Royists and militant nationalists, the ITUF led by Congress nationalists and moderates, and the All-India Red TUC consisting of orthodox communists. Besides, there were some independent organisations, notable among them the All-India Railwaymen's Federation (AIRF), and the Textile Labour Association (TLA) of Ahmadabad.

Ever since the Russian revolution, Indian Labour movement had been pulled in two different directions. The moderate Trade Unions were attached to the Second International. The more extreme section was attracted to Soviet Russia and the third International. In India the conflict between the Second and Third International led to a split in the Trade Union movement in 1929. The moderates walked out of the AITUC and set up the ITUF on the ground inter alia that the AITUC had affiliated itself



to the League Against Imperialism and the Pan Pacific Trade Union Secretariat, both of which were dominated by Communists.<sup>1</sup>

International Labour, particularly in Bombay and Calcutta, have since the 1920's been influenced by Russian propaganda and by the English and Indian Agents of the Third International. The Communist International set up a special branch for the dissemination of communism in India, and communist literature advocating the development of a revolutionary mentality was circulated. The red flag and the device of the hammer and sickle became increasingly evident in labour meetings in India and in the processions of workers the cry of Inquilab Zindabad (Long live the Revolution) began to be heard. Further, Calcutta, Bombay and even some small towns began to have their May Days and November Days.

(C) Nehru's Approach and the Trade Union Movement.

What incensed Jawaharlal Nehru ever more was a circular sent to Workers' and Peasants' Organisations in India criticising Gandhi for "Chronic reformism and betrayal of the cause of workers and peasants". His loyalty to Gandhi and the Congress Party came first. For his 'Deviationism' Nehru was expelled.<sup>2</sup>

Among his reflections on Russia at that time was a laudatory portrait of Lenin. He called on his readers to learn from Lenin's realism, flexibility and perseverance, and concluded with a tribute to the Bolshevik leader which resembles his estimate

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1. Ghose, S., Socialism and Communism in India, op. cit., P.15.

2. Brecher, M., Nehru : A Political Biography, (Oxford University Press: London, 1962) PP. 55-56.

of Gandhi's achievement years later: "By amazing power of will, he hypnotised a nation and filled a disunited and demoralised a nation and filled a disunited and demoralised people with energy and determination and the strength to endure and suffer for a cause."<sup>1</sup>

What disturbed Gandhi more than anything else was Nehru's surge to radicalism, and his apparent abandonment of non-violence. A few weeks later Gandhi wrote again :

"I see quite clearly that you must carry on open warfare against me and my views.... The differences between you and me appear to be so vast and so radical that there seems to be no meeting ground between us. I cannot conceal from you my grief that I should lose a comrade so valiant, so faithful, so able and so honest, as you have always been."<sup>2</sup>

In 1928, Nehru presided over five provincial party conferences, was elected President of the All India Trade Union Congress, and addressed various gatherings of nationalist youth. Everywhere he hammered on one basic theme - the twin goals of the nationalist movement must be complete independence and socialism.

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1. Ibid., P. 56

2. Tendulkar D.G., Mahatma, (Vithabhai K. Jhaveri and D.G. Tendulkar; Bombay, 1952) Vol. 8, PP. 350-351.

Action,<sup>1</sup> was essential, he declared that even wrong action was better than no action at all industrialization was inevitable. Capitalism and Imperialism must be eradicated. The struggle against British rule must be waged on both political and economic fronts. But he denounced violence as counter revolutionary.<sup>2</sup>

By the end of 1928, Individual terrorism reappeared, along with widespread labour unrest. The Government of India (British rule) retaliated swiftly, notably by arresting 32 prominent trade unionist. Nehru himself sought to raise funds for the accused and termed the subsequent Meerut Trial 'a blow against the whole working class'.<sup>3</sup>

At Lahore Session he said that :

"I must frankly confess that I am a socialist and a republican. Speaking as a champion of the peasants and urban workers he criticised Gandhi's

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1. See, Chapter II, "Marxist-Leninist Approach to Trade Union Movement." According to Lenin, the technique of Action might be a General strike, an agrarian revolt, an urban insurrection, or a united front from above or from below. The Communist must participate, openly or secretly, in any organisation through which they could influence the masses in any degree - not only Trade Unions and peasants' associations but also parliaments and other political parties. Lenin described two main tactical devices which have prevailed to the present: Action "from above" and Action "from below". Action "from above" denotes a formal alliance with non-communist organisations, and Action "from below" denotes an open attack on non-communist organisations.

2. Brecher, op. cit., P. 58.

3. Ibid., P. 61

theory of Trusteeship<sup>1</sup> and paternalism as equally barren.... The sole trusteeship that can be fair is the trusteeship of the nation."<sup>2</sup>

In the response of Nehru's statement, in 1930, the Indian Communist declared :

"The most harmful and dangerous obstacle to victory of the Indian revolution is the agitation carried on by the "left" elements of the National Congress led by Nehru, Bose and others. The exposures of the "left" Congress Leaders... is the primary task of our Party." <sup>3</sup>

Friction arose from agrarian discontent, almost endemic in that part of India. The crisis reached a head in November 1931. Under pressure from the Kisan Sabha, and with Nehru's whole-hearted approval, the Congress advised a no tax

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1. See, Chapter III, Trade Union Movement and the Ghandhian views, Note No.1, & Mahatma Gandhi wanted the rich to be the trustees of the poor. He asked the trustees to earn money and amass wealth but they should hold this wealth in trust for the needy. He also believed that the princes and the peasants could not be made equal by cutting of the Princes' heads, nor can this process equalise the employer and employees. As he contemplated, if the State suppressed capitalism by violence it would be caught in the coils of violence itself and fail to develop non-violence. The detailed study of Gandhian thought can be seen in 8 volumes of Mahatma : Life of Mohandas Karamchand Gandhi (Printed by Pyarelal Shah at the Times of India Press: New Delhi, 1953), written by Tendulkar, D.G.
  2. This text is to be found in Indian Quarterly Register, Vol. II, 1929, PP. 288-297.
  3. Platform of Action of the CPI as quoted in Limaye, M., Communist Party : Facts and Fiction.

campaign.<sup>1</sup> Nehru said :

"However, I do not approve of many things that have taken place in Russia, nor am I a Communist in the accepted sense of the world." <sup>2</sup>

But on the one occasion he pronounced that :

"I am all for the former, i.e., Communism.... There is no middle road... and I choose the Communist ideal. In regard to the methods and approach to this deal ... I think that these methods will have to adapt themselves to changing condition and may vary in different countries." <sup>3</sup>

The proclamation of socialist ideas cause an irrevocable split within the Party.<sup>4</sup> As Nehru said :

"I suppose I am temperamentally and by training an individualist, and intellectually a socialist-- I hope that socialism does not kill or suppress individually; indeed I am attracted to it because it will release innumerable individuals from economic and cultural bondage." <sup>5</sup>

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1. Brecher, op. cit; P. 77

2. Nehru, J.L., Recent Essays and writings.

3. Ibid., P. 126

4. Brecher, op. cit., P.91.

5. A Bunch of old letters, April 3, 1939. PP 340-354.

In April 1948, Nehru's admirers and critics alike were surprised. Here was no programme of revolutionary change. Indeed, there was little resemblance to socialism. Public ownership was confined to three industries — munitions, atomic energy and railways. In six others the Government reserved to itself the exclusive right to start new ventures — coal, iron and steel, aircraft manufacturing, shipping, telegraphic and telephonic materials, and minerals. Existing concerns in these industries were to remain free from government control; nationalization was postponed to at least ten years. And the rest of the industrial field would normally be left open to private enterprise.

What impelled Nehru to make these sweeping concessions to private enterprise? For one thing, Patel used his influence to prevent any move to the left. For another, the crisis of production had reached alarming proportions and had to be surmounted at all costs. Beyond the specific reasons was the shock of the communal riots which dictated a policy of caution.

Caution led Nehru to propound a novel variation of socialist economic planning. For want of a better phrase it may be termed 'socialisation of the vacuum,' that is to say, the concentration of public investment in these areas of the economy which are totally free from private interests. The line of argument developed in his speeches at the time may be summarized as follows :-

"India is an under-developed country with limited capital and skills, both public and private; a steady increase in production is the prime requisite if the basic goal of a higher

standard of living for the masses is to be achieved, both public and private capital have important roles to play; to use public funds for nationalization of existing industry is both short-sighted and fool hardy. It is a waste of resources, for it does not increase the gross national product and diverts capital from much -- needed growth in Key sectors of the economy; moreover, there are certain fields of developments which private capital will not enter because the profit margin is low and the gestation period very long; yet it is precisely in those fields that capital is desperately needed, much as power, irrigation, transport and agricultural improvement; to nationalize the bulk of private industry is a rigid, formula approach to socialism."<sup>1</sup>

Nehru set down his thoughts more systematically in "Whither India" a provocative series of articles on "what do we want and why".<sup>2</sup> In Western terms, he emerged as a left-socialist of the Austrian School, Marxist in theory, democratic in practice. As much it was a milestone in Nehru's emergence as the hero of the left in the middle and later thirties.

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1. Brecher, op. cit., PP. 195-196

2. Ibid., PP. 1-24

In June 1934, the Working Committee of the Indian National Congress Party condemned confiscation of private property and class was a contrary to the creed of non-violence. Nehru interpreted it as a retreat from the Karachi Resolution on Fundamental Rights and a direct rebuke to his socialist views.<sup>1</sup>

The basic motives arose from the rift between conservatives and radicals which threatened to wreck the Party. Gandhi knew that Nehru was the one person who could bridge the growing gap between socialism and Gandhism.<sup>2</sup>

The Left-wing was pleased with Nehru's Presidential address to Lucknow Session, but the Right-wing felt betrayed by his caustic attack. Gandhi himself was disturbed lest the bold assertion on his part might be misconstrued as radicalism.

In 1958, Nehru expressed his considered thoughts on socialism :

"I do not want state socialism of the extreme kind in which the state is all powerful and governs practically all activities. The State is very powerful politically .... I should, therefore, like decentralization of economic power. We cannot, of course, decentralize iron and steel and locomotives and such other big industries, but you can

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1. Brecher, op. cit., P.84.

2. Eighteen months in India, P. 64



have small units of industries as far as possible on a cooperative basis with State control in a general way. I am not at all dogmatic about it. We have to learn from practical experience and proceed in our own way....

My idea of socialism is that every individual in the State should have equal opportunity for progress."<sup>1</sup>

Nehru said :

"A study of Marx and Lenin produced a powerful effect on my mind and helped me to see history and current affairs in a new light."<sup>2</sup>

(D) Gandhian Approach and Trade Union Movement.

The Textile Labour Association (TLA) of Ahmadabad, started by Mahatma Gandhi after the Ahmadabad textile strike of 1918, was also untouched by the political currents in the union movement, unaffiliated as it was with any of the Trade Union Centers. Gandhi later explained the reason behind the TLA's aloofness thus :

"Labour in India is still extremely unorganised.... It is not everywhere wisely guided. In many places it is under selfish and highly unscrupulous guidance.

There is no absolute cohesion amongst

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1. Speech to All India Congress Committee, The Hindu Weekly Review, (Madras), May 26, 1958.
  2. Nehru, J.L., The Discovery of India, (The Signet Press: Calcutta, 1946), P.13.

provincial labour leaders, and there is little discipline among sub-leaders.... Leaders in different provinces have not single policy to follow. In these circumstances an All India Union can exist only on paper.

If the Ahmadabad Labour Union can succeed in perfecting its own organisation, it is bound to serve as a model to the rest of India, and its success is bound to prove highly infectious".<sup>1</sup>

Gandhi thus had little regard for the existing Trade Union Centers. Also, he was opposed to the political exploitation of Labour Unions.

In the periphery of the Trade Union movement, Gandhi moved to organize more Trade Unions with goals similar to those of the Ahmadabad TLA. Thus in 1937 the Hindustan Mazdoor Sevak Sangh was set up to organise labour in all industrial centers in the country on right lines for the purpose of promoting just

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1. These remarks were made by Gandhiji in a letter dated May 10, 1927, to Shapurji Saklatwala, a Communist leader. The Gandhi - Saklatwala correspondence was published originally by the Communist Party of Great Britain under the title, Is India Different, (London 1927). Cited in Nirmal Kumar Bose, ed., Selections from Gandhi, (Navajivan Publishing House, Ahmadabad, 1948), PP. 133-134.

industrial relations, radicating exploitation in any form, securing speedy improvement of their conditions of work and life and their status in industry and society, and further, it being of the highest importance in the interest of labour as well as the peaceful progress of the country that the principles of truth and non-violence taught by Mahatma Gandhi<sup>1</sup> are stressed and applied in the activities of Trade Unions and in the handling of trade disputes.<sup>2</sup>

Gandhi rejected the "Scientific Socialism" of his compatriots at the helm of the Indian Trade Union movement. His approach was essentially religious and emphasised social harmony as against social conflict. He said :

"Truth and Ahinsa (non-violence) must incarnate in socialism. In order that they can, the votary must have living faith in God.

God is a living Force.... He who denies the existence of that Great Force denies to himself the use of the Inexhaustible Power and thus remains imptent.... The Socialism of such takes them nowhere, what to say of the society in which they live."<sup>3</sup>

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1. A good account of study on this issue can be seen in Jawaid, S., Growth of Socialism in India, (Associated Publishing House: New Delhi, 1980).
  2. Mathur, A.S., and Mathur, J.S., Trade Union Movement in India, (Chaitanya Publishing House: Allahabad, 1957), P.24.
  3. Gandhi, M.K., Socialism in My Conception, a collection of Gandhi's writings, ed. by Anand T. Hingorani (Bharatiya Vidya Bhawan : Bombay, 1957), PP. 3-4.

Gandhi's socialism, which he equated with egalitarianism, was not to rise phonic-like from the ashes of capitalism burnt out in a revolutionary class war, but evolve through the harmonious and peaceful development of society towards that goal. Distinguishing his concept of socialism from that of the West, he stated:

" Our socialism & or communism should be based on non-violence and on harmonious cooperation of labour and capital, landlord and tenant. My idea is that capital and labour should supplement and help each other. They should be a great family living in unity and harmony, capital not only looking to the material welfare of the labourers but their moral welfare also, capitalists being trustees for the welfare of the labouring classes under them." <sup>1</sup>

He was not advocating paternalism but social responsibility of a high order and this he made clear by urging labour to educate itself to be equal to capital.<sup>2</sup>

Gandhi aimed to convert the capitalist order of society into an egalitarian one in which no property would be held by anyone

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1. Ibid., P. 214

2. Ibid., P. 222: Gandhi said that if labour and capital have the gift of intelligence equally developed in them and have confidence in their capacity to secure a fair deal, they would get to respect and appreciate each other as equal partners in a common enterprise.

except on behalf of the people and for the people.<sup>1</sup> But he emphasised the results and would use force, if necessary, to achieve them. He rejected the idea of imposing socialism through the instrument of state power.

Gandhi's ideology was thus distinguished by its emphasis on non-violence, not force; love not hatred; harmony, not conflict; the individual, not the state. It was antithetical to the dialectical materialism of Marx and Lenin. It was an approach with its roots in the hoary Indian soil.

Within the framework of this approach, Gandhi evolved a policy for labour. He supported the organisation of labour in Trade Unions, but insisted that the Unions be Indian in character.

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1. Ibid., P. 276, 305 and 306 : Gandhi visualised a system of trusteeship regulated by the state, which was summarised by his secretary as follows :

- i) Trusteeship provides a means of transforming the present capitalist order of society into an egalitarian one. It gives no quarter to capitalism, but gives the present owning class a chance of reforming itself. It is based on the faith that human nature is never beyond redemption.
- ii) It does not recognise any right of Private ownership of property, except inasmuch as it may be permitted by society for its own welfare.
- iii) It does not exclude legislative regulation of the ownership and use of wealth.
- iv) Thus, under state-regulated trusteeship, an individual will not be free to hold or use his wealth for selfish satisfaction or in disregard of the interest of society.
- v) Just as it is proposed to fix a decent minimum living wage, even so a limit should be fixed for the maximum income that could be allowed to any person in society. The difference between such minimum and maximum incomes should be reasonable and equitable and variable from time to time, so much so that the tendency would be towards the obliteration of the difference.

(contd)

In the course of his famous dialogue with Shapurji Saklatwala, a Communist leader from Great Britain, he declared :

"Let there be no misunderstanding. I am not opposed to the organisation of labour, but as in everything else, I want its organisation on Indian lines, or if you will, my lines. I am doing it (in Ahmadabad).... I do not regard capital to be an enemy of labour. I hold their coordination to be perfectly possible."<sup>1</sup>

Gandhi was opposed to the infusion of politics into Trade Unionism, even though he readily conceded that labour, as it inwardly developed, would become a tremendous political force in the nation. Warning against the political exploitation of labour, he declared :

"I have not ... the remotest idea of exploiting labour or organising it for any direct political power of first-class importance when it becomes a self-existing unit. Labour, in my opinion, must not become a pawn in the hands of the politician on the political chess board. It must, by its sheer strength, dominate the chess board."<sup>2</sup>

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vi) Under Gandhian economic order, the character of production will be determined by social necessity and not by personal whim or greed.

1. Tendulkar, D.G., Mahatma, (Vithalbhai K. Javeri and D.G. Tendulkar : Bombay, 1952), Vol. II, P. 340.
2. Gandhi, M.K., Socialism in My Conception, ed. by Hingorani, A.T., (Bhartiya Vidya Bhawan : Bombay, 1957), P. 215.

Gandhi himself helped to preserve the TLA from partisan political struggle and his own Trade Union activities were based on altruism and a spirit of service. The TLA did not aspire to usher in a new political order, not even a Gandhian one. Its Constitution did not list any political objectives such as those advanced by important Trade Unions in India, except that it held the nationalization of the textile industry as a goal.<sup>1</sup> Its objectives were basically economic.

The policies of the TLA nevertheless reflected the distinctly Gandhian approach to social and economic problems. In Gandhi's own words, the TLA aimed merely to take from Capital only the due share of labour and not a bit more, and this not by paralyzing capital but by reform among labourers from within and by their own self-consciousness.<sup>2</sup> In the event of disputes between capital and labour, the union was to endeavour not to achieve victory but to secure a "just" solution. It would eschew violence and even the peaceful employment of the strike if arbitration facilities were available, as indeed they were. Gandhi even asked its members to take a pledge with God that they would stand by their declarations.<sup>3</sup>

The TLA clearly owed its ideology to Gandhi whose approach, differing from other existing types, added a new dimension to trade unionism.

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1. Textile Labour Association, Constitution, (Ahmadabad, 1951), Article II, 11.

2. Gandhi, M.K., Socialism in My Conception, ed. by Hingorani, A.T., (Bharatiya Vidya Bhawan : Bombay, 1957), P. 215.

3. Desai, M.H., A Righteous Struggle, (Navajivan Publishing House : Ahmedabad, 1951), PP. 11-12.

## CHAPTER IV

### The Role of the Indian Communists.

#### (a) Communist Infiltration in Trade Union Movement.

A blow was struck against the Communists in the Trade Union movement early in 1929 when the Government of India arrested Communists and other left-wing leadership on the charge of conspiring to overthrow the British Sovereign's rule in India. Among those arrested were S.A. Dange, S.S. Mirajkar, R.S. Nimbkar, and Philip Spratt, all of whom were communists, active as Trade Union leaders. Most of those arrested were kept in prison at least until 1933 when their trial -- the Meerut Conspiracy Case<sup>1</sup> as it was called -- concluded, while some were jailed for longer periods. But, while it appeared that the governments' activities in the Trade Unions, subsequent events showed that Communist influence had indeed not ended.

In 1931, the All India Railwaymen's Federation (AIRF) called a representative conference of forty-eight unions on a platform of Trade Union unity. The Conference which met in Bombay, appointed a Trade Union Unity Committee (TUUC) with instructions to explore ways and means of bringing about unity in the Trade Union movement. In its report submitted in the following year, the Committee referred to the existence of three

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1. See, Jawaid, S., The Naxalite Movement in India, (Associated Publishing House : New Delhi, 1979) P.19.



clearly distinguishable groups, the Communists, the liberals (moderates), and the rest. It was firm in its opinion that the breach dividing the communists from the others was beyond repair. It pointed out, however, that co-operation between non-communist groups was not only possible but necessary. On the notion of V.V. Giri, the TUUC adopted the following "Platform of Unity":

"A Trade Union is an organ of class struggle; its basic task is to organise the workers for advancing and defending their rights and interests. Negotiations, representatives, and other methods of collective bargaining must remain an integral part of the Trade Union activities.

The Indian Trade Union movement shall support and actually participate in the struggle for India's political freedom from the point of view of the working classes. This would mean the establishment of a socialist state and, during the interval, socialisation and the nationalisation of all means of production and distribution as far as possible."<sup>1</sup>

The Committee listed a series of basic demands of labour and declared that these could be realized only by the formation of a powerful central organisation, as perfect in internal structure

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1. Labour Gazette, (Bombay), XI, n. 9, P. 888.

as possible, through which energetic, ceaseless, and well-coordinated propaganda could be carried on. It also suggested that, as an experimental measure to last three years or more, the Trade Union Center should affiliate with the International Federation of Trade Unions (the Amsterdam International). In the domestic sphere, it declared, no Trade Union representative should accept nomination by the government to sit in the Legislative Assemblies or serve on any official body except when such service was in pursuance of a prior decision by the Trade Union Center or a subsequent ratification by the center's executive.

A Trade Union Unity Conference which met in Madras in July 1932 adopted the above recommendations and further appointed another Committee to draft a Constitution for the proposed single Trade Union Center. But the AITUC boycotted these unity moves and at its Twelfth Session held in Madras in the same year, adopted a separate "Platform Unity".<sup>1</sup>

The "Platform of Unity" adopted by the AITUC too proclaimed the Trade Union to be an organ of class struggle and formulated series of demands similar to those adopted by the Trade Union Unity Conference. It declared that the entire trade Union movement should support workers engaged in industrial disputes in whatever part of the country, or in whatever trade or industry. It insisted that the AITUC must be recognised as the sole Trade Union Center in the country and said that its affairs must be subject to democratic control by its members.

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1. Industrial Labour Information, (Geneva), Vol. 44, n.7 pp. 219-221.

In contrast to the TUUC, it stipulated that the United Trade Union Center should not affiliate with the Amsterdam International organisation for that matter. Like its rival group, however, it also prohibited its representatives from accepting nominated seats in the Legislative Assemblies or on official Committees or Commissions. The Platform also declared that the Trade Union Center should support and actively participate in the struggle for national freedom from the point of view of the working class and that the basic political demands must be the termination of imperial domination, overthrow of capitalism, and socialization of the means of production. The organizations, it added, should also fight for freedom of the Press, freedom of speech, freedom of assembly, freedom of organisation, the right to bear arms and the right to strike.

The Trade Union Unity Conference rejected the "Platform of unity" adopted by the AITUC as unacceptable, particularly the prescription against affiliation with the Amsterdam International. The final outcome of all these proposals, counter-proposals, and rejections was the organisation in 1933 of the National Federation of Labour which, after another Unity Conference in Delhi in the same year, merged with the Indian Trade Union Federation to form the National Trades Union Federation (NTUF). The AITUC stayed aloof from these efforts, as did the All-India Red TUC.

A development which was to have its impact on the Trade Union movement in later years took place at this time. The socialists within the Congress Party looked upon the Communist Party as a failure and felt that it was their role to organise anew the leftists in the country. They, therefore, formed the Congress Socialist Party which was to function within the Congress

Party itself. However, there was no agreement even among of leaders of this group on the doctrinal issue of democratic socialism versus distatorship of the proletariat, and while many of them wer intellectually influenced by Marxism, tempera- mentally they were attracted to Gandhism and its emphasis of purity of means.<sup>1</sup> This divided outlook of the group was to be reflected for many/years in its willingness to cooperate with the Communists, even while abhorring their methods.

The Socialists, in 1934, invited the Communists to join the forming a United Labour Front. The resulting United Front Agreement, after providing for safeguards to present the exploitation of one group by the other, stated :

" There shall be joint action by the All India Congress Socialist Party, the All-India Trade Union Federation and the Red Trade Union Congress

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1. Cf. Massani, M.R., The Communist Party of India, (The MacMillan Company : New York, 1954), PP. 53-54. Massani, who himself belonged to this group has written that the Socialist leadership felt that Indian Socialism must work out its own salvation, face and overcome its own difficulties, and must not take its dictates from outside. Also, without being able to formulate it, they were -- depite their allegiance to Marxism --- deeply and increasingly influenced by Gandhism, while, perhaps, intellectually they accepted the Leninist theory that 'the end' justifies the means, temperamentally and secretly, honestly and jpurity of means attracted them.

on specific issues, such as the danger of another war, Government repression, the Joint Parliamentary Report and other issues which may arise from time to time, the nature of joint action being holding meetings and demonstrations, observing of "days and anniversaries, issuing of statements and literature, etc."<sup>1</sup>

As noted before, the Communists too entered the Trade Union field in the early twenties.<sup>2</sup> The roots of this infiltration reached into the basic assumptions of strategy and the policies of the Communist International. Following Marx's concept of the role of Trade Unions, Communists have held that unions are schools and organising centers of revolution and that strikes constitute a means for preparing for the violent overthrow, the paralytic stroke as it were, of capitalism. This, and the desire to forge links with Indian intellectuals who were receptive to ideas of communism, led the Communist International to have a group of young Indian students trained in the principles and methods of communism by the Red International of Trade Unions or the Pro-fintern as it was also called.<sup>3</sup> By 1924, the Communists were quite

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1. Massani, M.R., The Communist Party of India, (The Macmillan Company : New York, 1954), PP. 54-55.

2. Raman, N.P., Political Involvement of India's Trade Union Movement, (Asia Publishing House: New Delhi, 1967), P.29.

3. Ibid., P. 30

active among industrial workers and had managed to set up Trade Unions sympathetic to Communist ideas. In their role as initiators and organizers, they were acting under orders from the Communist hierarchy, for the Executive Committee of the Comintern (ECCI) instructed these Indian Communists to encourage the organisation and amalgamation of Trade Unions and to take over the leadership of all their struggles."<sup>1</sup>

The Indian Communists set up the Workers' and Peasants' Party in several important provincial towns like Delhi, Meerut, Gorakhpur, Jhansi and Allhabad and the Party acted as the center of their efforts to start Trade Unions in these areas. Among the unions formed by them outside Bombay, the Cawnpore Mazdoor Sabha and the Bengal Jute Mill Workers' Union were important examples.

In 1929, as noted previously, the moderate wing in the leadership of the AITUC decided to **secede** from the organisation to form the Indian Trades Union Federation and two years later the Communists in the AITUC fell out with the Royists and the **seceded** from that organisation to set up the accounts of the developments indicate little more than that the leaders decided on these moves; and that the split occurred between outside leaders committed to different ideologies on political, rather than economic, issues.

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1. Ibid., P. 30.

(b) Emergence of Other Trade Unions.

The Socialists, who had resigned from AITUC along with members of the Congress Party, at first participated in the efforts to set up the Indian National Trade Union Congress (INTUC). But soon they parted company with the members of the Congress Party also. On the Party level, they formed an independent Socialist Party of India (now which has<sup>now</sup> been merged in the Janata Party) and followed it up by organising their own labour front, the Hind Mazdoor Panchayat, or the Indian Council of Labour.

The launching of the Hind Mazdoor Panchayat was followed by an All India Labour Conference attended by representatives of the Panchayat and the Indian Labour Federation of Labour and by other left-wing trade unionists who had <sup>severed</sup> severed their connections with AITUC. The conference, held in Calcutta in December 1948, decided that it was necessary to organise Trade Unions free of external control, either by employers or by political parties or by the government, inasmuch as the working class would have to play an increasing role in the economic and political affairs of the country.<sup>1</sup>

Accordingly, a new nationwide Trade Union Center called the Hind Mazdoor Sabha, or the Indian Labour Association (HMS), was formed with commitments to promote the interests of the working class, to guide and co-ordinate the activities of affiliated organizations, to promote the formation of federations

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1. Report of the Calcutta Conference. (Hind Mazdoor Sabha : Bombay, 1948), PP. 7-12.

of trade unions from the same industry or occupation and of national industrial unions, and to secure for the workers the right to work or maintenance, social security, and strike. All legitimate peaceful and democratic methods were to be employed to achieve these objectives.<sup>1</sup> The Indian Federation of Labour (IFL) merged with the HMS which, in turn, became unaffiliate of the ICFTU.

The predominant influence in the HMS was that of the Socialists. Those of the representatives of labour attending the Calcutta Conference who resented this influence withdrew from the Conference and subsequently met separately. At a meeting of this group in April 1949, it was decided to form yet another Trade Union center, namely, the United Trade Union Congress(UTUC). The resolution sponsoring the new body declared that, unlike the other Indian trade union centres, the UTUC would conduct Trade Union activity on the broadest possible basis of Trade Union unity, free from sectarian politics.<sup>2</sup> In the programme of the UTUC, similar in many respects to that of the AITUC, were included the establishment of a "Workers' and Peasants' State" in India; the nationalization and

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1. Hind Mazdoor Sabha, Constitution, Article II (i), (ii), (iii) and (iv).

2. Industry and Labour, (Geneva), II, no. 9, ). 377.



socialisation of the means of production, distribution and exchange; and the safeguarding and promotion of the interests, rights and privileges of the workers in all matters, social, cultural, economic and political, led by the leaders of the leftist parties, the UTUC cooperated with the communists even though opposed to the Communist Party's emphasis on violence.

Thus by 1949, the Trade Union movement badly split again, with the INTUC, the AITUC, the HMS, and UTUC representing four rival groups, and a few national federations and unions remaining unaffiliated with any of them. The close relationship of the INTUC with the Congress Party, of the HMS with the Socialist Party, of the AITUC with the Communist Party, and the UTUC with the Revolutionary Socialist Party and other splinter parties of the left, was indicative of the continuing political involvement of the Trade Union movement.

During this period, the AITUC was quite hostile to the INTUC and the HMS. The Congress leadership, which was active in the INTUC, was described by the Communists as being bourgeoisie, while the socialists were held guilty of preaching "the illusion that socialism may be achieved by constitutional means".<sup>1</sup> In 1950, however, the AITUC abandoned its sectarian politics and took a strong position in favour of working class unity and the merger of the rival Trade Union Centers. But it met the INTUC and the HMS refused to consider the suggestion; only the UTUC showed any interest. The Communists did not seem to be making much headway, while the INTUC and the HMS were consolidating their position in the Trade Union movement.

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1. Cited by Massani, M.R., The Communist Party of India, (The Macmillan Company : New York, 1954), pp. 27-28.

In October 1952, N.M. Joshi (who was at that time with the HMS) and Mrinal Kanti Bose (who was President of the UTUC) joined together to issue, on their own personal initiative, a call for the organisation of a joint Trade Union Committee.<sup>1</sup> While admitting that a merger of the four Trade Union centers was "impossible of attainment," they proposed a united Joint Trade Union Committee "based on a plan which may not involve any sacrifice of views by any of the organisations."<sup>2</sup> Arguing that "present differences which divide them all are more or less based upon political views and on general policies, than upon practical economic questions which the Trade Union movement has to face from day to day, "they emphasised that

" a common policy and common action on ... questions of elementary nature are not impracticable when there is a genuine desire for the protection of the working class... and even unity in the form of a Joint Committee may justifiably be expected to lead to some useful results."<sup>3</sup>

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1. Hind Mazdoor, (Bombay), I, No.1 (January, February, 1953), PP 39-41.

2. The Plan was to be used on the following four rules or principles

- i) Every Central Trade Union organisation with minimum trade union membership of, say, 200,000 shall be eligible for representation on the Joint Committee;
- ii) Each constituent Central Organisation shall have equal representation on the Joint Committee;
- iii) All decisions shall be taken by agreement of each of the constituent bodies; and
- iv) If any organisation which has a minimum membership does not join in the beginning, it shall be eligible to join and have its representation at any time later on." See Hind Mazdoor, (Bombay, Jan-February 1953), I, No.1, P.40.

3. Ibid., P.41.

The AITUC was in favour of such a Joint Committee. So was the UTUC. But the INTUC was cool to the scheme. The HMS was not in favour of such action either, but there were some groups within that organisation which were prepared to try out the Joshi-Bose formula in some limited fields.

In January 1953, Trade Unions in Delhi, affiliated to the AITUC, the UTUC, and the HMS, and some independent unions also, came together to form a permanent Joint Trade Union Committee. The HMS affiliates in Delhi participated in this move even though the national Trade Union center threatened them with expulsion.

In the period since 1953, there have been similar instances of the AITUC, the UTUC, and the HMS working together in some areas. HMS unions have supported many strikes sponsored by the AITUC or the UTUC.

The attitude of the form<sup>er</sup> union centers towards merger have been more or less consistent during the last few years. The AITUC, in line with its policy adopted in 1951, has been advocating unity in the Trade Union movement. The UTUC has sought to merge with the AITUC and the HMS in one organisation, but has shown unwillingness to merge either with the AITUC or the HMS alone. After all, the leadership of the UTUC had left the AITUC because it could not tolerate the communist majority in it, and had walked out of the HMS at the time of its inception because it did not like that organisation to be dominated by the socialist leadership. If it were to merge with either organisation alone, it might be swamped by a communist or socialist majority, depending

upon the case; but if there were to be a merger of all the three organisations in one new Trade Union Center, UTUC group could possibly retain an effective voice. This seems to have been the basis of the UTUC's attitude.

As for the HMS, it has declined to merger with the AITUC on the ground that the latter is involved with the communists. The socialist leadership of the HMS had, at the beginning of the World War II, come to the conclusion that unity with the communists was dangerous. In 1941, Jayaprakash Narayan, in fact, had described the pre-war experiment in unity as the communists' game of disruption and capture, played under the cover of unity.<sup>1</sup> After the war, the socialists had seceded from the AITUC because the latter had been captured by the communists. These bitter experiences have been behind the refusal of the HMS to merge with the AITUC. The attitude of the HMS on this question was clearly enunciated by Asoka Mehta thus :

"I would exclude from the merger the Communist Unions, mostly to be found in the AITUC. The Communists do not believe in free Trade Unionism and they would never surrender political interference and control .... Any unity with them is to pave the way for the future break up.... The extra-territorial loyalties of the Communists make

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1. Jayaprakash Narayan, Socialist Unity and the Congress Socialist Party (Bombay, 1941), P. 24.

them dangerous partners in Trade unionism.

They have to be watched, not worked with."<sup>1</sup>

The HMS has not been as distrustful of the leadership of the UTUC and has been willing to consider merger with that organisation. On the question of merger with the INTUC, it has expressed its agreement on the principle of Unity, but has withheld a vote of merger because in its view the INTUC is dominated by the Congress Government. For instance, the HMS stated in the course of a note submitted to the Labour Panel of the Planning Commission at the time of the drafting of the Second Five Year Plan :

"The Government continues to show the most flagrant favourism to INTUC unions, gives the INTUC disproportionate representation on tripartite bodies and virtual monopoly in the ILO Conference and Committee's"<sup>2</sup>

It repeated the charge to an ICFTU delegation visiting India in March 1958 and made it clear that the conflict between the HMS and the INTUC existed because the INTUC did not function as a genuinely free and democratic Trade Union organisation and that it was bolstered up by the Central Government as well as by most State Governments.<sup>3</sup>

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1. Hind Mazdoor, (Bombay), I, No.1, (January-February 1953), P.31.

2. Hind Mazdoor, (Bombay), III, Nos. 5 and 6 (August-September, 1956), P.2.

3. Hind Mazdoor, (Bombay), V, n. 4. (April 1958), P.2

The INTUC also, like the HMS, has refused to consider merger with the AITUC. The basic difference between the INTUC and AITUC was set out as follows by G. Ramanujam, INTUC President during 1958-60 :

"The INTUC believe in democratic methods; the Communist controlled AITUC believes in totalitarian methods now and then, depending upon the way the wind is blowing, they may say that they too stand for the democratic way.

The Communist believe in the abolition of classes and the Trade Union for them is only an instrument to subserve that end. The INTUC does not believe in the abolition of classes; it is in fact impossible.

The objectives and methods of the INTUC are thus in complete harmony with the traditions, culture and aspirations of the Indian people. The methods and objectives of the AITUC, however, are based on conditions alien to India.

These hard facts, therefore, would rule out any unity between these two organisations and this would continue to be so until these basic precepts of the Communists are changed."<sup>1</sup>

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1. Indian Worker, (New Delhi), VII, no. 4 (October 20, 1953), P.5.

To the late of division arising out of the political involvement of the Trade Union movement was added a new chapter in 1958 when the UTUC split into two sections, one group holding a session in Calcutta and the other in Kerala. Mrinal Kanti Bose, who had been leading the UTUC died in 1959, and the division of the organisation seemed to indicate the development of rival groups within the leadership of the organisation.

(c) The Influx and Influence of Congress Leaders.

In January 1935, the Executive of the AITUC renewed the efforts at unity-making by appointing a sub-committee for the purpose of bringing about unity among the split groups in the Trade Union movement. A meeting of the sub-committee with the representatives of the National Trades Union Federation (NTUF) took place in Delhi in February, 1935. The meeting came to the conclusion that, even if complete unity in the sense of amalgamation of the different bodies, could not be achieved, it was essential to provide some machinery so that joint action by the rival organisations might be possible whenever labour interests were in jeopardy. The meeting decided, therefore, to form a Joint Committee consisting of ten representatives of each organisation. This Committee was to be entrusted with the task of working out lines of common action which, when approved by the two organisations, could be implemented by the Joint Committee and all the affiliated units of the two organisations, but the decisions of the Joint Committee were to be by mutual agreement and not by votes.<sup>1</sup>

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1. Joint Statement issued by M.M. Joshi, V.V. Giri, R.S. Ruiker, Hariharnath Shastri and B. Shiva Rao, Indian Labour Journal, (Nagpur), March 17, 1935 and also see, Lakshman, P.P., Congress and Labour Movement in India, (A.I.C.C. Allahabad, 1947) P.120.

The meeting of the Joint Committee of the AITUC and the NTUF, which was held in Bombay in August 1935, decided to establish an All-India Joint Labour Board, consisting of an equal number of representatives from each organisation, "to act as a coordinating agency, chiefly by such methods as the organisation of labour weeks in different parts of the country, or May Day celebrations and their efforts calculated to draw attention to the requirements of the workers."<sup>1</sup> The All India Joint Labour Board was, however, a failure.

After the exchange of several more proposals, one of which even suggested a Confederation of Indian Labour, the AITUC and the NTUF after all found unity possible on the basis of what came to be known later as the Giri Proposals.<sup>2</sup> The proposals provided that the NTUF, as a Unit, was to be affiliated to the AITUC, with the two bodies having equal representation on the General Council. The Trade Union Congress was to accept the Constitution of the NTUF in toto and thereafter the executive of

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1. Industrial and Labour Information, (Geneva) Vol. 55, n. 13, P. 350.

2. The Giri Proposals received their names from their Chief author, V.V. Giri. See, Indian Labour Journal, (Nagpur), January 19, 1936.



the organisation was to be formed on the basis of this Constitution only.<sup>1</sup> But despite any provision in the new Constitution, questions relating to strikes and political matters were to be decided only by a three-fourth majority of the General Council; on all other questions a majority vote was enough. The Trade Union Congress was to commit itself only to such resolutions and decisions as were adopted or arrived at in its session or by the General Council or Working Committee. Such resolutions and decisions alone were to constitute the policy of the Trade Union Congress. The affiliation of the NTUF to the AITUC was to last initially for one year only, at the end of which it was to lapse, if not renewed. The Trade Union Congress was not to affiliate itself with any foreign organisation during the tenure of the initial agreement, but the affiliates of the central organisation, including the NTUF, were free to have such relations.<sup>2</sup>

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1. A resolution adopted by the NTUF in its Third Session accepting the Giri Proposals amplified this point thus :

"It being further understood that for the purpose of representation at the General Body meeting and for constituting the General Council, the Working Committee and other Committees, the affiliated unions of the Federation will be regarded as though they are separate units in the combined body and shall be accorded representation on that basis."

See, Indian Labour Journal, (Nagpur), December 12, 1937.

2. The mover of the NTUF resolution, accepting the Giri Proposals, explained that the affiliation of the unified Trade Union Center to any foreign organisation was being prohibited, not with a view to fetter the Trade Union Center, but to prevent split on the question of foreign affiliation.

See, Indian Labour Journal, (Nagpur), December 26, 1937.

The Giri Proposals were endorsed by the NTUF in its Third Session in Calcutta in December 1937. The AITUC, which had accepted the Giri Proposals at its Fifteenth Session in Bombay in May 1936 ratified the principles of unity between the two organisations by resolution in its open session held in Delhi in January 1938. Subsequently, a joint session of the AITUC and the NTUF met in 1938, appropriately enough in Nagpur, and resolved to implement the Giri Proposals. Two years later, in 1940, the NTUF renounced its separate identity and merged completely with the AITUC.

In 1920, leaders of the Indian National Congress, in particular, as well as other nationalists, played a prominent part in the formation of the All-India Trade Union Congress. This organisation did not emerge from the bottom and grow upwards. The AITUC was sponsored by the Congress Party itself or un-officially by the Party's leaders is a most point lost in the dim shadows of unrecorded history, but the fact remains that the initiative for the first all-India organisation of labour came from political quarters. Not only did the Congress Party appoint a committee to assist the AITUC, but also, each year during the first three years of the new Trade Union Center, its President was none other than the President of the Indian National Congress. As a historian of the Congress Party has stated, during its formative years the AITUC "owed much of its strength to the efforts of Congressmen."<sup>1</sup>

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1. Lakshman, P.P., Congress and the Labour Movement in India, (A.I.C.C. Allahabad, 1947), (.120.

At the end of the World War II, the Congress leaders found that its members had little influence in the AITUC which was then in the hands of the Communists. This was a situation which the Congress evidently did not like for several reasons. Primarily, it held objections to the radical and violent methods of the communists on ideological grounds. These methods were specially evident during the period under reference. The Communists opposed the Congress Government's policy of compulsorily terminating industrial disputes and trying to settle them by conciliation and arbitration, and initiated several strikes through unions led by them.<sup>1</sup> The Congress appears to have considered these activities of the Communists not only detrimental to the international communist movement.<sup>2</sup> A leading Trade Unionist in the Congress fold has indicated how the situation looked in the eyes of the Congress at the time.

Immediately after the war, the disruptionist International Communism reared its ugly in India and strike-calls were issued to various people, particularly in urban areas. The Communists tried their hands in Assam among plantation labour and in Telengana from 1946 to 1951.<sup>3</sup> They tried the same game in Calcutta, in Bombay and large parts of U.P. towns,

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1. Massani, M.R., The Communist Party of India, (The Macmillan Company : New York, 1954), P. 187f.
  2. Raman, N.P., Political Involvement of India's Trade Unions, (Asia Publishing House : New Delhi, 1967), P.32
  3. Jawaid, S., The Naxalite Movement in India, (Associated Publishing House : New Delhi, 1979).

calling upon workers in essential services to disrupt the urban life of the country. The history of International Communism shows that is exactly the way they have hand achieved their objectives and those of the devoted Congressmen who were nationalists in out look thought it was time to save the country from the onslaughts of the disruptionists.<sup>1</sup>

The Congress wrest<sup>ed</sup> the labour movement from the Communists<sup>and</sup> appeared to have wrested also party power considerations and economic - administrative reasons. Even though the Congress had been, over the years, a village - oriented mass organisation, its leaders, particularly Sardar Vallab Bhai Patel, seemed to have held that, in a free country set on the aim of industrialisation and rapid economic progress, the sector of the economy consisting of the basic and the manufacturing industries was of stratagic importance as it consitituted the growth sector. Patel, the Party's organisational mastermind who in August 1947 became free India's Deputy Prime Minister, reportedly believed that all the ~~prima~~ <sup>de</sup> facie power in ~~he~~ <sup>the</sup> country, including organised industrial labour, should be within the periphery of the Congress.<sup>2</sup>

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1. Khandubhai Desai, in a speech, Indian Worker, (New Delhi), VII, No.31, May 4, 1959, P.2.
  2. Asoka Mehta, who was leader of the former Paraja Socialist Party and HMS, said in a personal interview in New York on May 12, 1959. By early 1947, it was vircuallly certain that India would become independent within a year or two and the Congress, whose representatives led the Interim Government was preparing to assume full power in free India.

As a first step in its move to forge a new labour front, in 1946 the Working Committee of the Congress Party advised its members active in the Trade Union field to work in close association with the HMSS. At that time, Sardar Patel was also the President of the HMSS which since its inception in 1937 had been successfully initiating Trade Unions on the model of the TLA. By 1947, thanks to the influence of the HMSS, there were six hundred unions, covering about 600,000 workers, functioning according to Gandhian principles.<sup>1</sup>

Behind the Congress' choice of the HMSS as the vanguard of its own wing of the Trade Union movement was the Party's attraction to the brand of unionism pronounced by Gandhi and symbolised by the TLA and by the unions organised by the HMSS field-workers. The TLA had always been held in India, except by the Communists and Marxists, as a model Trade Union. As far back as 1930, the Government of Bombay had stated in a White Paper on the labour situation in the province :

"That it is possible to organise labour on sound Trade Union lines is shown by what has happened in Ahmedabad .... It can be said that (the TLA of) Ahmadabad offers an interesting and encouraging example of what can be done in the way of organising labour."<sup>2</sup>

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1. Vasavada, S.R., an INTUC leader, in a statement, published in Indian Worker, (New Delhi), VI, n. 43, August 4, 1958.

2. Labour Gazette, (Bombay), IX, no. 6, P. 567.

Under Gandhi stewardship, the TLA had quietly rejected the class war approach.<sup>1</sup> It had consistently advocated and adhered to the methods of conciliation and arbitration, and except in the period of its organisation, had never resorted to the strike to settle industrial disputes. It had successfully advanced the interests and welfare of its members without sacrificing industrial peace.

These features of the TLA brand of unionism stood out in minds of the Congress Party leaders as worthy of emulation. Gandhism, it appeared, had proved itself over Marxism.

But perhaps the greatest attraction of the Ahmadabad model to the Congress Party leadership at that time was the TLA's emphasis on conciliation and the arbitration. The Congress Government's policy of industrial relations was to provide for the settlement of labour disputes without resort to the strike or the lock out, without industrial bloodletting that the anemic economy approach was in the circumstances not only justifiable in terms of ideals but also extremely attractive as a strategy and compelling as a practical necessity.

The two months after the Congress Working Committee's directive to its workers, the HMSS instructed its members to join the AITUC and promote through its policy and programmes of the HMSS to secure such changes in the Constitution, organisation and administration of the Trade Union Congress is to make

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1. Bose, N.K., Selections from Gandhi, (Navajivan Publishing House : Ahmadabad, 1948), PP. 133-134.

it a fit and effective instrument for the realization of the legitimate aspirations of the working class and of the objectives of the HMSS.<sup>1</sup>

There were clear orders to the HMSS members to infiltrate into the AITUC, secure its control, and alter its character.<sup>2</sup> This move apparently did not yield the expected results. For instance, a resolution supporting the Congress Government's policies, which was introduced at the annual session of the AITUC held in Calcutta in February 1947, failed to win majority support. This was tactically admitted in the

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1. INTUC : Proceedings of the Inaugural Conference, (New Delhi), PP. 14f.
  2. The moves were viewed with alarm by the IFL. According to the Indian National Congress of threatening the independence of the Trade Union movement, and editorial in the IFL publication, Indian Labour, (New Delhi), V, n.1, January 1947, stated that are now being made to extend its Congress Party's activities to the Trade Union field and to bring the Trade Union movement under its domination. Older unions are being brought under Congress influence by winning over their leaders. Where that does not work new union are being established with the help of the employers and provincial governments and the functioning of the existing unions is rendered impossible. The Campaign is developing with the support of the provincial Congress Committees and under the guidance of the Hindustan Mazdoor Sevek Sangh established with the specific purpose of regimenting the Trade Union movement on approved Gandhian lines. The Hindustan Mazdoor Sevek Sangh has just taken a major policy decision. It is to affiliate all its unions to the AITUC. It is clear therefore that Congressmen will not rest content with capturing or establishing a few local unions. They are out to capture the leadership of the Trade Union movement and to determine and dictate its national and international policies.

following resolution moved by Suresh C. Bannerji, a Congress leader who had thrice been President of the AITUC, and adopted by the Hindustan Mazdoor Sevek Sangh :

"The Board recommends to the member of the HMSS and other Congressmen actively interested in labour to take immediate steps to form an organisation which will be purely non-communal and which will not be subject to the control of any political party."<sup>1</sup>

It was shortly after this, in May 1947, that the Hindustan Mazdoor Sevek Sangh and the Congress launched the Indian National Trade Union Congress. The background to the establishment of the INTUC was explained by Gulzari Lal Nanda, General Secretary of the HMSS and a Congress Party leader, at the conference which gave birth to the new trade union center. Nanda stated that the attempts to foil the communists in the AITUC had failed because the communists had resorted to "multiplying bogus unions and... bloated returns ~~of returns~~ of membership."<sup>2</sup> He added that the AITUC's violent opposition, under the leadership of the communists, to the Industrial Disputes Act of 1947 and the Bombay Industrial Relations Act of 1947 ran directly counter to the declared policy of the Indian National Congress

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1. INTUC : Proceedings of the Inaugural Conference.  
PP. 12-13

2. Ibid., P. 15.



and that it was therefore necessary to establish a new Central trade union organisation that would preserve "a national spirit and outlook" while discharging its responsibilities to the workers.<sup>1</sup>

A similar theme was contained in the speech of Sardar Patel. Patel charged that the AITUC was devoting all its energy to oppose and weaken the Congress and that the Communists, who were in a <sup>dominant</sup> ~~dominant~~ position in the AITUC, had few scruples, having thrown all regard for national welfare to the winds.<sup>2</sup> The speeches of Nanda and Patel thus contained admissions that a prime factor in establishing the INTUC was that the AITUC, under Communist leadership, was working

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1. Ibid., P.12. Describing the background to the formation of the INTUC, INTUC -- A Review, said that the communists who controlled the labour movement were engaged in "misdirecting and dissipating its energy". It added that the AITUC could not and did not rise to the occasion. The worker asked for bread; it offered him to stop work. Therefore, it said, the Congress felt that labour was being led on the road to disaster and chaos and that the workers needed proper guidance at that crucial hour of India's history. The INTUC -- A Review concluded that in the critical situation in India the hands of the government of the day had to be supported and strengthened, so that ultimately a broad based democratic system might evolve and every individual citizen might have equal opportunity for the full growth of his personality. This could be done only by the working class, the vanguard of all progress in every country. For this, a new technique, a technique of reconstruction, was no longer serve the purpose. The need was for a technique of cooperation, of pull and push together. INTUC -- A Review, Pp 3-4, 10.

2. INTUC. Proceedings of the Inaugural Conference, Pp. 22f. also see, Indian National Trade Union Congress - A Review, P. 25.

against the Congress Party and against national interest may also indicated that the Congress Party was, if not the parent that had given birth to the new organisation, at least the physician that had played a vital role in its delivery.<sup>1</sup>

(d) Social Background of the Rank and File in Trade Union Movement.

Politically active leadership has been a prominent feature of the Indian Trade Union movement. From its early years, which coincided with the beginnings of the mass movement for freedom and national self-government, leaders of the Trade Union movement have been active in the Indian National Congress and other political movements. Since independence in 1947, also

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1. N.M. Joshi, General Secretary of the AITUC, described the INTUC as an adjunct of the Congress Party. Cited in Myers, C.A., Labor Problems in the Industrialisation of India, (Harvard University Press : Cambridge, Mass, 1958), P. 67. In a resolution adopted by it subsequently, the AITUC condemned the organisation of the INTUC as the work of "the fifth column of the socialists and the Congress Government". See, Industry and Labour, (Geneva), XI, n. 9, (.379. The General Secretary of the IFL issued a statement in which he said that a nationalist party is setting out to build a Trade Union organisation of its own in order to secure workers' support to its Government, Provincial and Central, and in order to ensure industrial peace and increased production. As such the move spells great danger to the whole of the independent Trade Union movement. If the move succeeds there will be an end of the trade unions as independent working class organisations. See, Indian Labour, (New Delhi), V, n. 5, May 1947, P. 151.

(d) Social Background of the Ranks and Role in Trade Union movement.

Politically active leadership has been a prominent feature of the Indian Trade Union movement. From its early years, which coincided with the beginnings of the mass movement for freedom and national self-government, leaders of the Trade Union movement's have been active in the Indian National Congress and the other political movements. Since independence in 1947, also Trade Union leaders have been prominent in political affairs at the local, state, and national levels. The question pertinent to the present analysis is whether the politically active leaders have been trade unionists engaged in political action for achieving Trade Union aims and politicians active in the Trade Union field either purely out of sympathy for labour or for purposes of furthering larger political aims not directly connected with the welfare of organised labour.

The key executive posts, such as those of the President, the General Secretary, and the Treasurer, have been in the hands of non-workers; worker members of union executives have held only positions of minor importance and have, as a result of their lack of education and other requisites of leadership, possessed little control over the decisions of the non-workers

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1. Weiner, M., Party Politics in India, (Princeton University Press: New Jersey, 1957), P.76. There are few exceptions such as the unions of working journalists in which the leaders are drawn from the journalistic field mostly. Obviously, the journalists have educational qualifications and leadership experience which the mass of industrial workers lack.

Non-workers have been dominant in the Trade Union movement also because of the "empire-building" practice : generally speaking, the non-workers have each been associated with a large number of union in the leadership role. The Government of Bombay emphasised this aspect of the outside leadership in its memorandum to the Royal Commission on Indian labour (1931) and also furnished examples.<sup>1</sup> In 1930, the memorandum pointed out, N.M. Joshi was associated in one leadership capacity or another in eleven unions; F.N. Ginwala with the Central Labour Board of Bombay as its President and thirteen other unions. S.C. Joshi with the federations as General Secretary; S.V. Parulekar with seven unions; and P.S. Bhakale with six unions. This feature of the outsiders' leadership persists strongly even today. A 1958 study of forty five Trade Unions of Bombay showed that the empire - building practice was very much in vogue.<sup>2</sup> Out of the forty five cases studied, only seven leaders devoted their time to a single union each; twenty-five leaders were each associated with two to five unions; nine leaders with six to ten unions each; two leaders with over fifteen unions each. The study further revealed that many of the leaders polled were members of the state and national executives of their Trade Union centers as well.

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1. Royal Commission, Evidence, 1, Part 1, P. 112

2. "Outside leadership of Trade Unions - A Bombay Survey,"  
"Labour Gazette, 38, n. 3, November 1958, P. 357 and ff.

Non-workers, in the role of Trade Union leaders have belonged to two broad categories : leaders with primarily interest in the unions and the union members led by them; and leaders primarily interested in the spread of a philosophy or ideology, or in advancing the interests of their respective political parties, unionism being only a means to ultimate ends not directly connected with the welfare of labour.<sup>1</sup> The latter category has included not only politicians interested in using trade unions for ultimate political aims but also careerists seeking to exploit workers for personal gains.

Historical evidence would seem to support the conclusion that it is leaders of the second category who have been prominent in the Trade Union movement.<sup>2</sup> A great many of them were nationalists active in the amorphous Congress movement and they entered the labour field at the building of the Congress. When the Congress Socialists emerged as a separate group in 1934, their emphasis on revolution a la Marx led them to declare that

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1. Cf "Outside leadership of Trade Unions - A Bombay Survey", Labour Gazette, 38, n. 3, PP 357 and ff. This survey revealed that the Trade Union leadership is mainly with outsiders who owe their allegiance more to their political bosses than to their own Trade Union members. cf. also see, Gadgil, D.R., Regulation of wages and other Problems, (Gokhale Institute of Politics and Economics : Poona, 1943), P. 62.
  2. Gadgil, D.R., Regulation of Wages and other Problems, (Gokhale Institute of Politics and Economics : Poona, 1943), P. 42; and also see Royal Commission, Evidence, V, Part V, P. 156, Evidence of the Government of West Bengal.

the economic struggle of the workers was an integral part of the national movement for independence in which they were already playing an important role and, consequently, they went out for Trade Union organisation with nationalism and Marxism as the twin-engines of their motivation.<sup>1</sup> Such was the case too with the other leftist groups which were functioning within the Congress, and some of them were active only in the labour field.<sup>2</sup> The Communists, on their part, were working for the proletarian revolution and the establishment of a Communist State in India : the statutes of the Communist Party of India included the proviso that a party worker must be a member of mass organisations (trade unions etc) and carry on tireless work there under the leadership of the Party Committee for strengthening the political and organizational influence of the Party.<sup>3</sup>

Thus, neither the nationalists nor the Communists entered the Trade Union movement because they were in love with the workers. They were politicians first, then only Trade unionists; their interest in labour was incidental to the achievement of their political goals. As competent observer

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1. Weiner, op. cit., P. 26.

2. Ibid; P. 26.

3. "Statutes of the Communist Party of India," Indian Communist Party Documents, compiled by the Research Staff of the Democratic Research Service (Democratic Research Service : Bombay, 1957).

has noted that the leading Trade Union workers, with few exceptions, come from the political parties and do their Trade Union work as part of their political work.<sup>1</sup>

In AITUC, that no other person, Communist or non-Communist has held high office for so long a time as S.A. Dange or S.S. Mirajkar. Both belonged to Bombay and both were veteran members of the Central Committee of the CPI. From 1943 through 1947 the post of General Secretary was held by the moderate non-Communists, N.M.Joshi, Twice during this period Dange occupied the President's chair, and it may be assumed at these times the communists and non-communists were fairly evenly balanced. After 1947, when many communists unions withdrew from the AITUC, Dange took over the post of General Secretary, and the Presidency was given to V. Chakkarai Chettiar who, with B.P. Wadia had forwarded in 1918 the first modern Trade Union in India.

It can be seen that as of the 1954 session, the leadership of the AITUC was firmly under CPI control. Of the top eight offices, six were held by Communist Party members. Two (Dange and Sen) were members of the CPI Politbureau, and two more (Mirajkar and Aruna Asaf Ali) were members of the Central Committee. The Treasurer, K. Anandan Nambiar, was a Communist M.P. from Madras and also General Secretary of the South Indian Railway Labour Union. The non-Communists, both members of the Forward Bloc (Marxist), have been close to

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1. Weiner, op. cit., p. 157.

the CPI in recent years. Satyapriya Bannerjee, a former lieutenant of the late Subhas Chandra Bose, was elected to the Council of States in 1952 with the support of the Communists in West Bengal Legislature.<sup>1</sup> R.K. Haldulkar was the chairman of the Forward Bloc in Madhya Pradesh and the head of a mining union.

A recent enquiry<sup>2</sup> indicates the age patterns of 360 Indian Trade Union leaders, leading 219 Trade Unions, it was found that at the time of the study, 51.5 per cent of these leaders were middle aged persons, their ages ranging from 36 years to 50 years. The following Table No.1 has been showing regional distribution of leaders according to different age groups in the surveyed regions.

Table No.1  
Regional Distribution of Leaders according to Different Age Groups.  
(Figures in brackets indicate percentage)

Regions	Younger (35 yrs & below.)	Middle Aged (36 to 50 years)	Older (51 yrs & above)	Total
Bombay	33 (30.3)	58 (53.2)	18 (28.1)	109 (100.0)
Gujarat	16 (25.0)	30 (46.9)	18 (28.1)	64 (100.0)
Maharashtra	43 (35.2)	67 (54.9)	12 (9.9)	122 (100.0)
Other Regions	25 (37.9)	30 (46.9)	10 (15.2)	65 (100.0)
All Regions	117 (32.4)	185 (51.2)	58 (16.1)	360 (100.0)

The regional distribution indicates that there is more of younger leadership in other regions (37.9 per cent).

1. See, Satyapriya Bannerjee's statement regarding election support from Communist in New Age, (Weekly), 1, March 21, 1954, P.15.
2. A very intelligent study is made in, Punekar, S.D. and Maduri, S., Trade Union Leadership in India, Lalvani Publishing House : New Delhi, 1967).



Gujarat, on the other hand, has a larger proportion of older leadership, 28.1 per cent. Relatively, most (except 9.9 per cent) of Maharashtra's leadership is either middle aged or is younger than of Bombay and Gujarat. The Trade Union movement in Bombay and Gaujarat has been existing earlier.<sup>1</sup> than in other regions which is probably on reason as to why these regions have larger proportion of older leadership.

The proportion of middle aged leadership is found to be highest (71.3 per cent) among the B.M.S. organisations, followed by HMS (62.0 per cent); UTUC organisations, on the other hand are led mostly by younger leaders, 71.3 per cent of this organisation's leaders being in the age group of less than 35 years. The INTUC, being a larger and older organisation has comparatively more of older leadership (19.7 per cent) as Table No.2 indicates.:-

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1. A study on its early existence is available in the Chapter I and II in this work.

Table No.2

Organisational Distribution of Leaders according to their  
Age Groups.

(Figures in brackets indicate percentage)

Organisations	Younger (35 years & below)	Middle Aged (36-50 yrs)	Older (51 years & above)	Total.
Independent	56 (33.5)	85 (50.9)	26 (15.6)	167 (100.0)
INTUC	33 (29.7)	56 (50.6)	22 (19.7)	111 (100.0)
AITUC	13 (31.7)	22 (53.7)	6(14.6)	41 (100.0)
HMS	4 (19.0)	13 (62.0)	4(19.0)	21 (100.0)
HMP	4 (57.1)	3 (43.9)	-	7 (100.0)
BMS	2 (23.6)	5 (71.4)	-	7 (100.0)
UTUC	5 (71.3)	1 (23.7)	-	6 (100.0)
All Organi- sations.	117 (32.4)	135 (51.5)	58 (16.1)	360 (100.0)

No definite correlation can, however, be found or establish between the age of the leaders and the age of a central organisation to which a leader is affiliated for two reasons. (a) since Indian leaders are known to change their affiliations frequently, the age grouping of the leaders may tend to even out over a period of time. (b) the union organisation, effected from above, that is, central organisation, organising the branches must require the experience, maturity and skills. Hence the predominance of middle aged leadership in most of the organisations.

So far religion and caste are concerned, the dominance of Hindu religion (67.8 per cent) among the trade union leaders is but to be expected. The inter-religion comparison indicates a higher proportion of Muslims in Maharashtra, a greater proportion of Christians among the Bombay the Bombay trade Union leadership and relatively more Jains in Gujarat.<sup>1</sup>

Table No. 3

Distribution according to religion.

(Figures in brackets indicate percentages)

Religion.	Maharash- tra.	Bombay	Gujarat	Other regions	All regions.
Hindu	78 (64.0)	68 (62.4)	56(87.6)	42 (64.7)	244(67.8)
Christians	3 (2.4)	14 (12.8)	✓	9 (13.3)	26(7.2)
Muslim	7 (5.8)	4 (3.7)	2(3.1)	9 (13.3)	22(3.1)
Jain	3 (2.4)	-	4(6.2)	-	7(1.9)
Buddhist	1 (0.8)	-	-	2 (3.1)	3(0.8)
Parsee	-	1 (0.9)	-	-	1(0.3)
Jewish	1 (0.8)	-	-	-	1(0.3)
No belief	29 (23.8)	22 (20.2)	2(3.1)	3(4.6)	56(15.6)
All religions	122 (100.0)	109(100.0)	64(100.0)	56(100.0)	360(100.0)

Table given above shows that other religions have an

1. See, Punekar, S.D. and Madhuri, S., Trade Union leadership in India, (Lalvani Publishing House : Bombay, 1967).

equal proportion of Muslims and Christians trade union leaders. It is interesting to see that the proportion of 'no belief' leaders is significant in Maharashtra and Bombay, being more than 20.0 per cent, whereas not many in Gujarat and other regions only 3.1 and 4.6 per cent of the respondents respectively swear by this ideal as their religion.

The non-Brahmin castes other than scheduled castes are more common 59.8 per cent among the trade union leadership. Following table No.4 indicates castewise leadership.

Table No.4

Caste Distribution of Hindu leadership.

(Figures in brackets indicate percentage)

Caste	Maharash- tra.	Bombay	Gujarat	Other regions.	All Regions.
Non Brahmin	48 (61.6)	30 (44.1)	32 (57.1)	36(85.7)	146 (59.8)
Brahmins.	23 (29.6)	31 (45.5)	22 (39.2)	5(11.9)	81 (33.0)
Scheduled Caste	7 ( 8.8)	7 (10.4)	2 ( 3.7)	1( 2.7)	17 ( 7.2)
Total.	78 (100.0)	68(100.0)	56(100.0)	42(100.0)	224(100.0)

The table given above indicates that at least 7.2 per cent of the leadership in the trade unions comes from scheduled castes. The Brahmin leadership in Bombay is found in a large majority. Gujarat seems to have more than a third of its trade union leadership belonging to the Brahmin caste. The proportion

of scheduled caste among the leadership is very small in this state, 3.7 per cent, inspite of the fact that Mahatma Gandhi worked for many years in the labour field of this region.

In conclusion we can say that when most of the State leaders have joined the trade union movement to improve the lot of workers or to fight against injustice, it may be presumed that they have entered the movement with some understanding of it justified by their education and mature age.

The social composition of the trade unions surveyed above shows that the rank and file was constituted by the lower echelon while the higher leadership was drawn from the elite. In this way leadership of political parties coincided with the leadership of trade unions.

CHAPTER V

The Communist Strategy

(a) Industrial Relations of the Employers and Employees.

The political involvement of the Trade Union movement has affected industrial relations too. The Trade Union leadership by political leaders and party workers was to increase the antagonism of the employers towards the Trade Union movement and provide them with additional excuses for refusing to recognise unions. Employers have complained about leaders who mixed extraneous political issues with industrial questions and they have been unwilling to have any dealings with unions having such leaders.<sup>1</sup>

Evidence presented before the Royal Commission on Indian labour some 35 years ago highlighted this issue. The Government of Bengal said :

"In the case of the majority of strikes, the negotiating machinery was conspicuously absent and in these cases the influences behind the strikes were more political than economic."<sup>2</sup>

The Bombay Mill Owners' Association declared :

"We realise that our workmen are incapable of forming unions unaided, and require the guiding hand of disinterested workers, but that by no means that every political busy body should be encouraged to take a hand in inciting

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1. Royal Commission, Evidence, passim

2. Royal Commission, Evidence, V, Part I, PP 119-120.

strikes. It is unfortunate for the cause of labour that some people should be determined to import into every question connected with our workers, the idea that capital and labour are hostile to one another and the interests of one are necessarily opposed to those of the other."<sup>1</sup>

And the President of the Labour Union in Jamshedpur, himself an outside leader, stated that politicians give different colours to labour disputes and raise false issues and that sometimes labour disputes degenerate into political issues.<sup>2</sup> He added:

"Politicians are generally very prone and quick to catch hold of any mass of men they might try to help. Generally what sort of help is rendered is best known to them, but it is not always of a very happy nature, they try to raise all kinds of political issues...."<sup>3</sup>

The injection of extraneous political issues in labour disputes has adversely affected the conduct of genuine negotiation not only when it occurred, but sometimes even when it did not, because it has been common enough for management to allege such injection and use it as an excuse for refusing to negotiate. It is possible that this practice has to some extent been fostered also by the employers, refusal, specially in the

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1. Ibid., I, Part I, P. 405

2. Ibid., IV, Part II, P. 369.

3. Ibid., IV, Part II, P. 369.

twenties and the thirties, to deal with workers until confronted by an influential outside leader acting in behalf of the workers. In such circumstances, the political leader has been tempted to use all the arguments at his command, including political arguments, to compel the management to yield to the workers' demands. However, as a result of this tendency to mix political issues with labour issues, often suffered.

Subtly different from the introduction of political issues in legitimate labour disputes has been the promotion of labour-management conflict by politicians for the purpose of advancing their political aims. Many labour disputes have been engineered or initiated by politicians for political purposes. These represented the exploitation of an unsatisfactory labour situation by politicians.

In a different category, however, are the 'hartals' (cessation of work and business activity) and political demonstrations in which outside leaders have led organised labour to participate. Labour participations, which was frequent during the days of the freedom struggle, has continued even after the country became independent, thanks to the political exploitation of the Trade Unions. The rivalry between the political factors controlling the four trade union centers engendered a kind of competition in which each controlling group has been wont to demonstrate its power and influence through successful calls for strike, or 'hartal' or procession, or any other kind of public demonstration. What gains have accrued to labour from these activities is hard to assess.



The multiple office - holding is an important feature of trade union leadership in India. Political leaders in particular have concentrated on empire-building, looking for wider political following, and also because the number of unions one controlled has been a barometer of one's political power and prestige. As a consequence, the Trade Union movement has been getting "only part time, part-attention and part-allegiance from a large section of its leadership."<sup>1</sup> Furthermore, many of these outsiders have no intimate knowledge of the industry or trade with which they are concerned as union leaders and have no proper understanding of the problems involved, with the result that they have often made faulty representations or mis-representations of the labour view point.<sup>2</sup> In this connection, it has also been pointed out that such leaders have a tendency to fix the "sticking point"

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1. Kennedy, V.D., Problems of Indian Trade Unionism and labour Relations, (A pamphlet originally published in 1954 by the Association of Free Trade Unionists, Bombay; University of California, Institute of Industrial Relations : Berkeley, Reprint No.77, 1956), P.10.

2. Royal Commission, Evidence, 1, Part I, P. 473.

at too high a figure.<sup>1</sup> This has been the result of their under estimation of the positive costs to the worker of industrial disputes and overestimation of the advantages likely to accrue from the struggle, apart from points at issue, in the shape of recognition, prestige, opportunity for propaganda, etc. Pre-occupation with political action has resulted in the neglect of in-plant functions, development of grievance machinery, and contact with rank and file membership. It was also handicapped the development of genuine collective bargaining.

Multiplicity of unions and other manifestations of rival unionism also have affected the Trade Unions' relations with employers. Structural disunity and internecine conflicts have both contributed to the internal weakening of the movement and reduced its bargaining power. Labour solidarity has been made well-nigh impossible. The problem of union recognition has become difficult, since there has been no agreement even among

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1. Gadgil, op. cit., P. 70; and also see Pigou, A.C., The Economics of Welfare, (The Macmillan & Co. Ltd. London, 1920), P. 402. Pigou has defined the term "sticking point". He said that in considering their policy, the work people's association will reflect that, if they elect to fight a battle about wages, the fight will cost them so much and the terms obtained at the end are likely to be such and such. Weighing up things, they will determine on a certain minimum wage which it is worthwhile, if necessary, to accept rather than fight. This will be, as it were, their sticking point. Needless to say, the sticking point can apply to demand other than wages also.

the Trade Unions on the solution of this question.<sup>1</sup> Furthermore, in the context of rivalry, unions have tended to play to the gallery. Competition not only leads them to make extravagant promises to have workers, but also forces them often to make unreasonable claims on management. It may be a common union tactic to demand more than what it hopes to secure, but an additional motivation in the context of rival unionism is to prove the superiority of the claimant union over a competing union. There is always the lurking fear that a rival union may promise more and even manage to secure better results, thus attracting the workers' support it itself. In these circumstances, it has become difficult to conduct labour-management negotiations on a basis of responsibility and reasonableness.<sup>2</sup>

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1. The rival Trade Union centers have expressed differing views on the question whether recognition should be confined to more unions than one in the same jurisdiction. The INTUC and the UTUC have maintained that the employer should recognise only the most representative union, if there are more unions than one in an establishment, for purposes of collective bargaining. The HMS has declared that all unions which have a reasonable minimum percentage of members from among the total number of employees should be recognised as bargaining gents. The AITUC has maintained that all unions in an industry or establishment, provided they are not company unions, must be reorganised and that to recognise or not is not a privilege of the employer. The majority of employers' organisations, however, have shown preference for the recognition of only the most representative union. See, Questionnaire on Industrial Relations -- summary of replies. In 1952, the Government of India issued a Questionnaire on Industrial relations and the replies received from trade organisations, employers' organisations and State Governments were summarized in this unpublished document.
  2. S.C. Anthony Pilai, President of the HMS in 1958, Industrial Relations, Calcutta, X, n. 2, March - April 1958, P. 93.

However, India has since long been concerned with achieving for labour a participation in the function of management in order to expedite an effective economic development. We will recall here that the origin of the Indian attitude towards workers' participation in management can be traced back to Mahatma Gandhi's concept of trusteeship.<sup>1</sup> This was based on the opinion that all forms of property and human accomplishments are the gifts of nature and the products of social livings and as such they belong to society as a whole. It was understood under this concept that both labour and management should work for the society and not for private benefits. It also implied that workers should work honestly, diligently, avoid waste, prevent corrupt practices and should place before themselves the interest of the society as a whole. The Second Five Year Plan in India laid emphasis on increased association of labour with management. Such<sup>a</sup> measure was expected to help in (a) promoting increased productivity for the general benefit of the enterprise, the employees and the community, (b) giving employees a better understanding of role in the working of the industry and of the process of production, and (c) satisfying the workers, urge for the self-expression, thus leading to industrial peace, better relations and increased cooperation.

It was further envisaged in the plans that a council of management should be formed consisting of representatives of

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1. See, Gandhian Approach and the Trade Union Movement, in this work.

management, technicians and workers. Such a council should be established and recommended steps for better working. Matters which fell within the purview of collective bargaining were to be included for discussion in the council. Arising from the recommendations the Government of India constituted a Study Group in 1957<sup>1</sup> which gave the following findings.

- (1) while acknowledging the fact that participation of workers in management had been ascribed several meanings and could have different facets in practice, a sharp line could not be drawn between the rights of consultation and those of participation, except as a matter of dialectics. The question, as was one of degree, and that if practical arrangements could be made to ensure advanced consultation and joint discussions, and if the representatives' attitude of both sides were of cooperation and consideration for each other's views, the workers would, in effect be participants and not mere advisors or passive on-lookers.
- (2) The group advocated a sustained educational campaign to improve attitudes. This education was to apply equally to management as well as to labour.
- (3) Whereas the initiative to improve things should largely come from employees and from workers,

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1. For a detail study see, Agnihotri, V., Industrial Relations in India, (Atma Ram & Sons : Delhi, 1970).

Government should also help.

- (4) Though good participation machinery would certainly contribute to healthy industrial relations, yet successful participation itself was dependent on good industrial relations. The primary interest of the workers were wages, conditions of work, security and a fair grievance procedure, and if there was bitterness over these, no real participation was possible. The group thus recommended adequate arrangements for collective bargaining.
- (5) Joint councils of management could not be a substitute for trade unions. The latter have distinct protective role to perform.
- (6) A demarcation of functions was thus necessary and that group of subjects known as collective bargaining matters was left to trade unions. It was essential for a successful implementation of joint participation that there should be no conflict between the workers, representatives in trade unions and those representing in the joint councils.

After taking into account, the question of setting up a joint council of management, the group expressed its belief that it would be helpful to have some permissive legislation to provide the framework of workers' participation in management. In order to combat the danger of apathy on the part of the working class, the group also recommended that the joint council

should be some administrative responsibilities which are (a) the administration of welfare schemes, (b) the supervision of safety measures, (c) the operation of vocational training and apprenticeship schemes where these exist, (d) the preparation of schedules of working hours and breaks, (e) the preparation of holiday schedules and (f) payment of rewards for valuable suggestions.

The Government of India convened a seminar on industrial relations of the employers and employees with particular reference to workers' participation in management in January 1953.<sup>1</sup> According to its suggestions there should be (1) The Joint Councils are to consist of an equal number of representatives of management and employees. (2) Decisions should be unanimously, (3) One of the essential criteria for the formation of Joint Councils is that there should be well established and strong trade unions. Where there is more than one effective union, Joint Councils should be formed only when the unions agree among themselves as to the manner in which representation should be given to the employees (4) There is to be no bar to members of the supervisory and technical staff being nominated as representatives of employees, (5) Outside employees' representation should not exceed 25 per cent of its quota. (6) The Government of India is to make arrangements for liaison between the Joint Councils and the Ministry of Labour. (7) An 'All-India' panel of experts is to be appointed to advise and guide the Councils on "as required" basis. (8) Joint Councils are to have the right to receive information on the

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1. Ibid., P. 83.

various subject matters outlined in the model agreement and this right includes the right of discussion. (9) The Joint Council is entitled to exercise supervisory, advisory and administrative functions in accordance with subjects detailed in the model agreement, but only the unanimous decisions of the Council are to be implemented without delay.

A scheme of Joint Management Councils was thus designed to ensure the closer and fuller association of workers in management on a formal defined basis. The association was helpful :

(a) in promoting to increase the activity for the general benefit of the enterprise, the employees and community; (b) in giving employees a better understanding of their role in the working of industry and in the process of production; and (c) in satisfying the workers' urge for self-expression, thus leading to industrial peace, better relations and increased cooperation.

The Joint Management Councils are functioning in more than 131 establishments, comprising of Public Sector and Private sectors. It may, however, be observed that the idea of workers' participation in management has been gaining ground. In developing countries, the problem presented a somewhat different from i.e. how to create an effective and educated labour force and to provide them sufficient motivation to participate in economic development. For participation, co-determination, and a system of communication and consultation.

To ensure better discipline in public and private sectors the Management and Trade Unions agreed that no unilateral action should be taken in connection with any industrial matter



and that disputes should be settled at appropriate level. The existing machinery for settlement of disputes should be utilised with the utmost expedition. There should be no strike or lock out without notice. Affirming their faith in democratic principles, they bind themselves to settle all future differences, disputes, and grievances by mutual negotiation, conciliation and voluntary arbitration. Neither party will have recourse to coercion, intimidation, victimisation or go-slow. They will avoid litigation, sit-down and stay-in strikes and lock-outs. They will promote construction cooperation between their representatives at all levels and as between workers themselves and abide by the spirit of agreements mutually entered into. They will establish upon a mutually agreed basis, a grievance procedure which will ensure a speedy and full investigation leading to settlement. They will abide by various stages in the grievance procedure and take no arbitrary action which would by pass this procedure. They will educate the management personnel and workers regarding their obligations to each other.

Some other decisions were taken by the management separately to ensure compromise with the trade unions and to promote production in favour of national development. The management agreed that not to increase work loads unless agreed upon or settled otherwise. They will not support or encourage any unfair labour practice such as interference with the right of employees to enrol or continue as union members, discrimination, restraint or coercion against any employee because of recognised activity of trade unions and

victimisation of any employee and abuse of authority in any form. All efforts will be made to promote action for settlement of grievances and implementation of settlements, awards, decisions and orders. It was also decided that the management shall have to display in conspicuous places in the undertaking the provisions of this Code in local languages. In the due course the management shall distinguish between actions justifying immediate discharge and those where discharge must be preceded by a warning, reprimand, suspension or some other form of disciplinary action and to arrange that all such disciplinary action should be subject to an appeal through normal grievance procedure. The management has been trying to obtain confidence of the employees by taking appropriate disciplinary action against its officers and members in cases where enquiries reveal that they were responsible for precipitate action by workers leading to indiscipline. The management is bound to recognise the union in accordance with the criteria evolved at the 16th session of the Indian Labour Conference held in May 1958. This Conference has decided that where there is more than one union, a union claiming recognition should have been functioning for at least one year after registration. Where there is only one union, this condition would not apply. The membership of the union should cover at least 15 percent of the workers in the establishment concerned. Membership would be counted only of those who have paid their subscriptions for at least three months during the period of six months immediately preceding the reckoning. A

union may claim to be recognised as a representative union for an industry in a local area if it has a membership of at least 25 per cent of the workers of that industry in that area. Where there are several unions in an industry or establishment the one with the largest membership should be recognised. In the case of trade union federations which are not affiliated to any of the four central organisations of labour the question of recognition would have to be dealt with separately. Only unions which observed the Code of Discipline would be entitled to be recognised.

The question of rights of unions recognised under the Code of Discipline vis-a-vis unrecognised unions was discussed at the 20th Session of the Indian Labour Conference held in August 1962. In this Conference it was agreed that unions should enjoy the right to raise issues and enter into collective agreements with employers on general questions concerning the terms of employment and conditions of service of workers in an establishment or, in the case of a Representative Union, in an industry in a local area. The unions will nominate its representatives on the Grievance Committee constituted under the Grievances Procedure in an establishment. It was also decided that the unions will nominate its representatives on Joint Management Councils. In favour of the unions, further it was declared that the unions will nominate its representatives on non-statutory bipartite committees, e.g. production committees, welfare committees, canteen committees, house allotment committees, set up by management.

The rights referred to above would be without prejudice to the privileges being enjoyed by the recognised unions at present, either by agreement or by usage.

(b) <sup>Pressure</sup> ~~Presume~~ tactics such as Strikes and the Trade Union Movement

The strike referred to by the Royal Commission in its Report concerned the textile workers in Bombay. Lasting nearly six months, and marked by violence, it proved to be the Communists' greatest success in a year of continued industrial strife. The Communists were given support, perhaps unwillingly, by extremists among the nationalists, while the advocates were pushed to the background.

The Communists were successfully entrenched in the Trade Unions not only in Bombay, but also in other industrial towns in the north, such as Delhi, Calcutta, and Allahabad. Their success was aided by several factors. Firstly several provincial governments carried on a vigorous drive against the Communists and other left-wing elements, forcing them to hide out. The hunted elements found the trade unions a refuge and a cover for their activities. Secondly, some militant nationalists did not hesitate to foment violence among workers and this tied in beautifully with the Communists' own tactics. Thirdly, the refusal of some employers to tolerate even legitimate Trade union organisation among their employees and their tendency to yield ground only when confronted with extremist tactics encouraged the growth of communist influence.<sup>1</sup> Fourthly, there were adequate economi

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1. Rao, B.S., The Industrial Worker in India, (Allen and Unwin Ltd: London, 1937), PP 151f. Also see Pandey, S.M., As Labour Organises (Shri Ram Centre For Industrial Relations: New Delhi, 1970).

reasons, such as wage-cuts and arbitrary increases in work-loads, to justify the workers resorting to direct action, and the Communists capitalised on these opportunities by taking up the cause of labour. Fifthly, unlettered and lacking in formal education, dissatisfied with their lot and desirous of improving it, the workers were easily led to believe in the possible success of revolutionary dogmas and fell a prey to those advocating violent overhaul of the existing social, economic and political structure of the society.<sup>1</sup> And lastly, but quite important, was the financial help that the Communists received from Moscow.<sup>2</sup>

In 1928, there were 203 strikes in the country out of which 11 took place in Bombay.<sup>3</sup> In 1947, India attained freedom. This was also a year of strikes. The number of industrial disputes in 1947 was 1,811, involving loss of 16,562,666 working days as compared to 1,629 disputes involving loss of 12,717,762 working days in 1945.<sup>4</sup> The increase in strikes made the government

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1. Royal Commission, Report, PP. 321f

2. Punekar, S.D., Trade Unionism in India, (New Book Co: Bombay, 1948), P. 93; also see, Massani, MR., The Communist Party of India, (The MacMillan Company : New York, 1954), PP. 27-28.

3. Ghose, S., Socialism and Communism in India, op. cit., P.59.

4. The Indian Labour Year Book, 1950-51, P. 175.

uneasy and Prime Minister Nehru referred to "slow drying up the productive capacity of the nation."<sup>1</sup>

Throughout the period from 1948 to 1950 the Communists campaigned for intensifying the strike offensive. Jayaparkash Narayan, the socialist leader and the then President of the All India Railwaymen's Federation, had at first supported the Communist campaign for calling on all-India railway strike, but later he arrived at a mutually acceptable settlement with the Government. Jayaprakash Narayan apprehended that the militant and extremist policy advocated by the Communists might wreck the All-India Railwaymen's Federation, and in February, 1949 he said :

"If you consider dispassionately all that the communist have been doing in the railways for the past months, you will agree with me that if there is any one who can be accused of betraying the workers it is they. If they are allowed to carry on as at present the result will be complete disruption of our organisation and the end of the Federation. I have come to the conclusion therefore that we have now reached a parting of the ways."<sup>2</sup>

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1. Ghose, S., op. cit., P. 65

2. Address of Jayaprakash Narayan at the All India Railwaymen's Federation on February 16, 1949.

The militant policy pursued by AITUC during 1948-50 was countered by severe repressive by the government. This struggle with the government weakened the AITUC; its membership fell from 700,000 in 1948 to 100,000 in 1951 and it could hold its annual session again only after five years in 1954. Later, the leaders of the AITUC regretted that during 1948-50 the leadership of the AITUC was "provoked" by government to pursue an "adventurist policy". An official publication of the AITUC stated that :

"No doubt, the dominant section of the leaders of the AITUC during this period fell a victim to this government provocations and pursued adventurist tactics which also helped to weaken the AITUC. Struggles were needed to expose the policies of the Congress but they had to be conducted cautiously with the least damage to the striking power and organisation of the working class. The fact that, this caution was thrown overboard at times during 1948-50 showed its weakness." <sup>1</sup>

Though the leadership of the Indian Trade Union movement is divided among different central organisations of labour, the strength of the Trade Union movement has consistently increased since the 1920's, when Indian labourers increasingly began to organise themselves into unions. The following tables indicate a detailed data in this connection.

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1. K.B. Panikkar, "An Outline of the History of the AITUC," (1959), 'P. 15.

Table 1.

Number of strikes during 1921-1938 <sup>1</sup>

Year	No. of strikes	No. of workers involved (in thousands).	Man-days lost	
			Total	Per worker involved.
1921	396	600.3	69.8	11.6
1922	278*	435.4	39.7	9.1
1923	213	301.0	50.5	16.8
1924	133	312.4	87.3	27.6
1925	134	270.4	125.8	4.3
1926	128	186.8	10.9	5.8
1927	129**	131.6	20.2	15.3
1928	203	506.8	316.5	6.2
1929	141	531.0	121.6	2.3
1930	148	196.3	22.6	11.5
1931	168	203.0	24.1	11.9
1932	118	128.0	19.2	15.0
1933	146	164.9	21.7	13.2
1934	159	220.8	47.7	21.6
1935	145	114.2	9.7	8.5
1936	157***	169.0	23.6	14.0
1937	379	647.8	89.8	13.9
1938	399	401.0	91.9	22.9

\* One strike was common to four States.

\*\* One strike was common to three States.

\*\*\* One strike was common to five States.

1. Agnihotri, V., Industrial Relations in India, (Atma Ram and Sons: Delhi, 1970). P. 158.



Table 2

Number of strikes during 1939-47.<sup>1</sup>

Year	No. of strikes	No. of workers involved.	Man-days lost	
			Total	Per worker involved.
1939	406	4,09,189	49,92,795	12.2
1940	322	4,52,539	75,77,281	16.7
1941	359	2,91,054	33,20,503	11.4
1942	694	7,72,653	57,79,965	7.5
1943	716	5,25,088	23,42,287	4.5
1944	658	5,50,015	23,497,306	6.3
1945	820	7,47,530	40,54,499	5.4
1946	1,629	19,26,000	1,27,17,762	6.5
1947	1,811	18,40,784	1,65,62,666	9.0

1. Ibid., 1.159.

Table 3

Number of strike during 1948-69<sup>1</sup>

Year	No. of strikes	Number of workers involved	<u>No. of man-days lost</u>	
			Total	Per worker involved.
1948	1,259	10,69,120	78,37,173	7.4
1949	920	6,85,457	66,00,595	9.6
1950	814	7,19,883	1,28,06,704	17.8
1951	1,071	6,91,321	38,18,928	5.5
1952	963	8,09,242	33,36,961	4.1
1953	772	4,66,607	33,82,608	7.2
1954	840	4,77,138	33,72,630	7.1
1955	1,166	5,27,767	56,97,848	10.8
1956	1,203	7,15,130	69,92,040	9.8
1957	1,630	8,89,371	64,29,319	7.2
1958	1,524	9,28,566	77,79,585	8.4
1959	1,531	6,93,616	56,33,148	8.1
1960	1,583	9,86,268	65,36,517	6.5
1961	1,357	5,11,860	49,18,755	9.6
1962	1,491	7,05,059	61,20,576	8.7
1963	1,471	5,63,121	32,68,524	5.8
1964	2,151	10,02,955	77,24,694	7.7
1965	1,835	9,91,158	64,69,992	6.5
1966	2,556	14,10,056	1,38,46,329	9.8
1967	2,815	14,90,346	1,71,47,951	8.2
1968	2,776	16,69,294	1,72,43,679	N.A.
1969	2,270	15,80,056	1,66,78,714	N.A.

1. These statistics on industrial disputes published in Indian Labour Year Book / Indian Labour Statistic cover strikes/ lockouts see, Ibid. P. 160.

Table 4

Statement showing the number of Industrial strikes, workers involved, Man-days lost, Wages and Production lost due to Industrial labour unrest during 1959-1967.<sup>1</sup>

Year	No. of strikes	No. of workers involved.	No. of man-days lost.	Wages lost Rs.in lacks	Value of production lost rupees in lakhs.
1959	1,531	6,93,616	56,33,148	123.2 (1002)	692.6 (751)
1960	1,583	9,86,268	65,36,517	174.9 (996)	486.1 (534)
1961	1,357	5,11,860	49,18,755	82.9 (759)	537.8 (521)
1962	1,491	7,05,059	61,20,576	139.6 (1,172)	708.0 (684)
1963	1,471	5,63,121	32,68,524	95.8 (1,226)	525.3 (661)
1964	2,151	10,02,955	77,24,694	260.5 (1,743)	1,912.4 (916)
1965	1,835	9,91,158	64,69,992	242.8 (1,624)	1,531.3 (921)
1966	2,556	14,10,056	1,38,46,329	606.5 (2,240)	3,269.4 (1,238)
1967	2,815	14,90,346	1,71,47,951	754.1 (2,348)	4,717.4 (1,431)
1968	2,776	16,69,294	1,72,43,679	757.5 (2,346)	5,393.5 (1,488)

Figures in brackets indicate the number of cases to which the relevant information relates.

1. Indian Labour Journal.

Table 5

Strikes classified according to Affiliation of Workers' Unions  
to Central Workers' Organisation, 1968.

Central Unions.	<u>No. of strikes</u>		<u>No. of workers involved.</u>		<u>No. of Man- days lost</u>	
	No.	% to total.	Number	%to total	No.	% to total
A.I.T.U.C.	533	46.5	2,09875	26.3	39,11,219	43.2
I.N.T.U.C.	343	29.9	1,77,976	22.3	8,12,353	9.0
H.M.S.	96	8.2	91,546	11.5	6,99,690	7.7
U.T.U.C.	26	2.3	9,112	1.1	44,533	0.5
Multiple Unions.	150	13.1	3,09,584	38.8	3,586,144	39.5
Total.	1,146	100.0	7,98,093	100.0	9,053,939	100.0

A.I.T.U.C. --- All India Trade Union Congress.

I.N.T.U.C. --- Indian National Trade Union Congress

H.M.S. --- Hind Mazdoor Sabha.

U.T.U.C. --- United Trade Union Congress.

(c) Rivalry Among the Trade Unions in India.

Beside structural disunity, there are other organisational consequences of union rivalry based on politics. Briefly, these are factionalism and inter-union warfare leading to the dissipation of scarce leadership and financial resources; lack of loyalty to their union among members; worker indiscipline; and organisational weakness in the struggle for improvement in labour's working and living conditions.

Political involvement has reduced the trade union movement into an arena of political factionalism. Rival factions within the same union, or rival unions, in their attempts to secure or maintain the allegiance of an identical body of workers, have resorted to all kinds of tactics, including violence assault of members of opposite groups. Evidence is not difficult to obtain: reports of such hostile activities are to be found in trade union

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Journals as well as in the daily Press.<sup>1</sup>

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1. These are typical instances : Hindu, (Madras), September 27, 1957, carried the following report from Mattancherry in Kerala, dated September 26, 1957 :

"Eleven persons suffered serious injuries in street clashes between members of three rival stevedore labour unions last night.... The three unions — the Communist - led Port Cargo Labour Union, the Independent Cochin Thuramuga Tozhilali union, and the INTUC - sponsored Port Tozhilali Union — claim among themselves over 16,000 members. The work on board the steamers and on the shore in Cochin port came to a stand-still today as the complement of 3,000 stevedores did not turn up for duty. The Presidents of the Trade unions have informed the Port Administrative Officer that their members were abstaining from work for fear of safety of their persons...."

Hindu (Madras), October 2, 1958, reported the following incident at Kothagudam in Andhra Pradesh :

"Armed Police... have been posted in Ramavaram and the Three - Incline Coalmine area, following clashes between Communist - controlled Singareni Collieries Workers' Union and INTUC Workers' Union yesterday. The police arrested from INTUC workers last night for alleged assault on K.S. Dass, Communist Union Organising Secretary.... According to INTUC leaders, over 15 houses of their supporters were looted last night by unruly crowds and the loss was estimated at Rs.2,000. They also stated that nearly 30 houses of INTUC workers in Andhra Camp, the stronghold of the INTUC, were searched by Communists to assault the members, who escaped providentially. According to the Communist-controlled Unions' statement, the condition of the Organizing secretary was serious .... The workers slowly returning to work in the coal mine area where the mining operations were paralysed yesterday".

The organ of the INTUC, Indian Worker (New Delhi), carried the following dispatch from Birmitrapur, Orissa, in its issue dated October 20, 1958 :

"Lawlessness has been engineered hereby the unrecognised Bista Workers' Union of the Socialist Party recently in contravention of national agreements.... The Secretary of the Gangapur Labour Union (INTUC) in a telegraphic message to the Union (i.e. Central Government) Labour Minister, asked for an immediate intervention when the members of the INTUC were assaulted by (Members of) the Socialist Party Union while they were collecting membership fees."

Clashes between members of rival unions, in no period infrequent, occurred specially often in Kerala while that State was ruled by a Communist Party Government during 1957-59. Reports of raids and assaults by supporters of the AITUC unions on rival union officers and members, and of retaliatory attacks by the these groups, were quite frequent during this period. In a memorandum submitted to the Minister of Planning and Labour, of the Government of India, the General Secretary of the Kerala State Branch of the INTUC detailed nine major instances of communist attack on INTUC workers and sympathisers in and around the Kumbazha Estate during a labour dispute in the plantations.<sup>1</sup> The Governor of Kerala, in a report to the President of India, declared that the Communist Ministry(Government) in Kerala had discriminated in favour of Communist Unions with "the object of consolidating and expanding the sphere of influence of the AITUC against non-Communist labour unions" and that this treatment often led to physical conflicts between Communist and non-Communist Labour Unions.<sup>2</sup>

It is not without significance, and it is a telling commentary on the state of Union affairs in India, that the INTUC

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1. Indian Workers, (New Delhi), VI, n. 4, October 28, 1957.

2. Summary of the report of the Governor of Kerala to the President of India on the Kerala situation, placed on the table of the Lok Sabha by the Home Minister of the Government of India on August 17, 1959, See, Hindu (Madras), August 18, 1959.

decided in 1958 to raise a Seva Dal (Volunteer Corps) from among its members to help the activities of its affiliated unions and "to see that violent attacks on workers by opponents from rival unions are effectively curbed."<sup>1</sup> Even before this step was formally approved by the trade union center, INTUC unions in Ahmadabad, Indore, Coimbatore and several other industrial centers had organised such volunteer corps.<sup>2</sup> Thus the politics of rival unionism was violent enough to necessitate the organization of defence corps by unions.

It is not asserted here that the Trade Union scene in India presents gory spectacle of internecine warfare to the exclusion of constructive activities; it is merely emphasised that politically motivated, externally instigated rival unionism has manifested itself in the form of mutual hostility and fauding within and among unions on a fairly serious scale.

Political factionalism has resulted not only in inter-union rivalry but also in intra-union struggle for leadership and control. These struggles have been based more on the political platforms of the contending factions than on the personalities and qualifications of the rival claimants to leadership; that is to say, the struggles more often than not have been between protagonists of differing political ideologies or parties.

As a consequence of rival unionism, therefore, there has

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1. Indian Worker, (New Delhi) VII, n. 6 November 3, 1958.

2. Ibid.



been a not insignificant amount of internecine warfare, with diversion of leadership and financial resources from constructive to mutually destructive activities, spread of indiscipline, and loss of property and lines in physical clashes between groups, not to mention the disruption of production. Workers have become pawns, knowingly or unknowingly, in clashes between rival political groups and parties, in struggle which are often external in origin and nature to the business of the unions involved. Thus resources that should have been mobilized in a common fight for legitimate union aims have been lost, partly at least, by mutual attrition. This aspect merits further elaboration.

Rival unionism has resulted in the waste not only of labour's material resources, but also of leadership. Trade union leaders, instead of turning their attention to members' problems and the solution thereof, have spent themselves in trying to promote their own or their party's causes, or in scheming the downfall of each other and of rival political factions, and even honest and sincere leadership has been constrained to join battle when attacked.

Rival Unionism arising out of political involvement has tended also to promote opportunism among the workers and to deter the development of a sense of <sup>o</sup>loyalty to their respective unions. The expediency has been the governing factor in the worker's choice of a union and that the average worker has shown a tendency to shift his allegiance from one group or union to another. Often the result of a single labour dispute has been sufficient to alter his support. This tendency has been fostered and encouraged by the fact that rival leaders or groups have been contesting for the loyalty

of the workers with competing promises. The multiplicity of groups or unions around him, all clamoring for his support and promising him the best result, have only helped to accentuate the worker's proneness to be a weather-vane and this has prevented the development of abiding worker loyalty in the Trade Union movement.<sup>1</sup>

Political factionalism and rival unionism seem to have contributed also to worker indiscipline, surfacing in wildcat strikes, go-slow tactics in factories, and resort to violence. This is not to say that worker indiscipline has been engendered solely by the political involvement of Trade Unions. It is in fact a symptom and a result of several diverse forces which operate in a society subject to poverty and the strains and stresses of industrialization. Among the causes of indiscipline may perhaps be included bad management practices; the problem of worker orientation among a people used to village life and now subject to the rigors of urban life amidst inadequate facilities; lack of education among workers and their consequent inability to understand their responsibilities in an industrial society; and unemployment or the threat of loss of employment. But it is a safe assertion that the political involvement of the labour movement has added its own contribution to this formidable list. Rival unionism, with its flood of propaganda, chauvenism and clashes, has no doubt affected the workers' sense of discipline. The image of rival groups of leadership fighting each other in the fashion of the jungle may not be considered a lesion in discipline; on the contrary, irresponsibility among leaders has seeped

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1. Indian Worker, (New Delhi), VII, n. 31, May 3, 1959.

down and affected members also in varying degrees in their faith in democratic practices.

In India, since trade union leadership has been traditionally supplied by political parties, the ideological clashes among the latter have caused and maintained rival camps in the union movement from the beginning. This holds true even today. Former only it was a triangular clash among the moderates, the communists, and the Royists. Since independence the conflict has been widened, and now it includes the nationalists, the Communists (CPI and CPI(M)), the Socialists, the assorted leftists<sup>1</sup> and several others. Prominent among these are the four centres viz., the INTUC, the AITUC, the HMS, and the UTUC. These represent conflicting ideologies, diverse political programmes, clashing party and personal interests, and sometimes closely tied up with regional and caste loyalties. In contemporary India these are inevitable and will probably last for a long time. Although the ideological and political distance among trade union leaders is the most important cause of disunity in the movement, it is all pervasive. There are sectors, such as posts and telegraphs, commercial banks, insurance, and several industries, where trade unions have been united and are relatively strong. This reflects in part a will on the part of leaders to preserve unity and partly the cooperative attitude of employers. On the national scene, however, these remain mere islands of solidarity and are probably the outcome of an unusual constellation of forces favouring

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1. See, Jawaid Sohail, The Naxalite Movement.,  
(Associated Publishing House; New Delhi, 1979.

unity.<sup>1</sup>

The four centres form a shapeless quadrangle rather than a straight line continuum. It is not that the INTUC and the AITUC stand at the opposite extremes with the HMS and the UTUC occupying middle positions. Had it been so, the INTUC and the HMS would have been drawn towards each other, while the UTUC would have approached the AITUC more closely. Such a tendency is nowhere observable despite fleeting alliances on local issues and the realisation on the part of the leadership of both the HMS and the UTUC that these have been stagnating. The main reason why the latter two have neither been advancing nor moving towards each other is that the political parties of which these form props, and from which they seek the principal support, have themselves been in a state of doldrums. Instead of seeking strength in unity, these, to all appearances, have been more concerned with retaining their organisational independence and the political advantages that go with it.

The leaders of both the INTUC and the HMS profess faith in democratic socialism and economic planning. Both are hostile to communism, although the HMS leaders have not yet gone that far as the INTUC in demanding a ban on the Communist Party of India and its fronts. On policy matters, there are differences in accent and on emphasis. For instances, the HMS leaders believe

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1.. A detailed study can be seen in Johri, C.K., Unionism in Developing Economy, (Asia Publishing House: New Delhi, 1967), PP. 48-49.

in collective bargaining to a greater extent than the INTUC's. The former, unlike the latter, have no inhibitions in criticising the government. There have been even suggestions of unity between the two, but they have not so far yielded any tangible results. As a result of weaknesses, generally characterising the HMS and the UTUC the two have been forced to seek alliances with powerful parties and, as a consequence, have been losing members. All the four centres have zealously guarded their organisational identity and independence of action. Indirectly, but assuredly, the government too, has been lending a measure of moral and political support to enable them to continue as separate organisations.

To eliminate rivalry from the trade union movement, the representatives of four Central Labour Organisations, namely, AITUC, INTUC, HMS, UTUC agree to observe some principles for maintaining harmonious inter-union relations. They agreed that every employee in an industry or unit shall have the freedom and right to join a union of his choice. No coercion shall be exercised in this matter. There shall be no dual membership of unions. There shall be unreserved acceptance of and respect for, democratic functioning of trade unions. There shall be regular and democratic elections of executive bodies and office-bearers of trade unions. Ignorance and backwardness of workers shall not be exploited by any organisation. No organisation shall make excessive or extravagant demands. Casteism, communalism and provincialism shall be eschewed by all unions. There shall be no violence, coercion, intimidation, or personal vilification in inter-union dealings. All Central Trade Unions shall combat the formation of continuance of Company Unions.

(d) Impact of Trade Unions upon National Economy.

While there have been changes of emphasis from time to time, the basic approach to industrial policy by successive Indian authorities has not changed radically. The Indian National Congress, which was a widely based national front of almost all patriotic elements before Independence, had laid down certain basic principles at Karachi in 1931. This had indicated that industries of basic and national character should be owned or controlled by the State.

A committee appointed by the All India Congress Committee in 1947 under the chairmanship of the then Prime Minister, Jawahar Lal Nehru for suggesting the economic programme had recommended a somewhat radical approach regarding the role of the public sector; but this was toned down when the Government of India announced its industrial policy a few months later in 1948. This statement broadly laid down the areas that would be reserved for the public sector and those in which private sector would be permitted to grow, and also indicated the direction in which the public sector would develop in the future.

There have been some more statements on industrial policy by the Government of India. One issued in 1970, while dealing mainly with the private sector, specially mentioned the possibility of an increased role for the Joint Sector, i.e., units in which there would be both public and private shareholdings specially through shares held by public sector financial institutions. A statement recently issued by the Government of India is more concerned with the future direction of industrial development,

specially with the importance of developing employment - oriented and rural based industries, while reiterating the importance which the public sector will continue to play in the development and operation of the organised area of the Indian economy.

As these statements are well known and generally available, it is not necessary to give their details here. What may perhaps be emphasised is that, while there have been some changes in policy emphasis, there has been no major change of direction. The Government of India has continued to endorse the use of both the public and the private sectors for the development and operation of the Indian economy, specially in the organised sector. While the word 'Socialism' in various form is used in certain statements, the real emphasis has been on the development and maintenance of a mixed system of economy in which the public and the private sectors would both play a part. The State would play a positive role and provide leadership in the more critical, more difficult and capital intensive sectors of the economy and at the same time provide assistance and guidance to the private sector which will develop and operate under a system of State regulation. There have, of course, been changes of emphasis from time to time; but in essence it would not be wrong to say that there has been no radical change in this at any one stage in the period between 1947 and 1977.

There was a large State sector in the Indian economy even before Independence. The railway system, though in large parts originally developed on the basis of Government assistance, was a private system; but a decision had been taken in the early

twenties to nationalise it as and when the contracts with the individual railway units made it possible. As a result, substantial parts of the railway system had already come to be owned by the Government even before independence. The Posts and Telegraphs had always been Government owned and managed in India and the Telephone system had come to be Government owned and managed before Independence. After a short experiment of private broadcasting, the All India Radio had been developed as a Government monopoly.

In order to encourage industrial development of the country, attempts had been made in different parts of the country, specially by erstwhile Princely States like Mysore (Karnataka), Hyderabad and Travancore, and also by some of the Provincial Governments like Madras (Tamil Nadu), to develop a few factories directly under Government auspices. These were comparatively small industrial units, more in the nature of model industrial practice. Because industrial development was lagging behind, the Railways and the Telegraphs had to develop their own maintenance workshops and the Railways had even to develop their own coal mines. Though a large part of the defence requirements of the British controlled armed forces was imported, factories for the production of the requirements of these forces had also to be established. This tendency received further encouragement during the World War II period. A small factory for the production of aircraft which had been established by private enterprise before the War was taken over and expanded mainly for aircraft maintenance by the Government of India. This was the beginning of Hindustan



Aircraft Limited.

As a part of the thinking about post-war reconstruction in India, a number of schemes of industrial development were mooted and these envisaged a substantial addition to the activities conducted in the public sector. Units for the production of Steam Locomotives, Telegraphs and Telephone cables and chemical fertilisers had thus been mooted at this time, though they attained full fruition only after Independence. This was the beginning of the future public sector units like Chittaranjan Loco Works, Indian Telephone Industries, Hindustan Cables and the Sindri Fertiliser Factory. A scheme for the integrated development of the Damodar River had also been similarly worked out and this ultimately led to the establishment after Independence of the Damodar Valley Corporation.

This trends of developing infra-structure facilities for economic development through the growth of public sector units was accentuated in the period after Independence. In addition to the schemes mentioned above other schemes such as those for the production of railway coaches, Teleprinters, Prefabricated houses, insecticides and anti-biotics were taken up early after Independence.

Two important and significant developments in this period were the nationalisation of Reserve Bank of India, the Central Bank of the country, and the nationalisation of air transports units. The former was significant only in that it was for the first time that a clear view was taken that it was not enough for Government to control a key unit such as the Central

band of the country; that its mixed ownership could have a likely adverse impact on the direction of economic policy and that, therefore, it was better that private share-holding was eliminated in the case of such institutions. Air transport companies had been developed by private sector organisation even before the World War II. They received a considerable boost in the post-war period. While the international carrier of the country, Air India International, was already half owned by the Government of India, the domestic air carriers were largely in private hands and within a few years they presented a picture of chaotic mismanagement. It was as a result of these circumstances and in order to bring about a rationalisation of the air transport industry in the country that the Government of India decided to nationalise air transport. Two corporations were established for the purpose, viz., Air India is the international air carrier and Indian Airlines as the domestic monopoly air carrier.

The development of public units in the manufacturing sector had been somewhat half-heartedly taken up up to this time. There was considerable hesitation regarding the setting up of a steel plant in million tones capacity was mooted for establishment of Rourkela with technical assistance from West Germany. This hesitating approach underwent a major change when thinking about planned development became bolder in the period after 1955. There was a change of emphasis in the direction of development, with greater emphasis on import substitution, a higher growth rate and special emphasis on the development of basic and heavy industries

required for an economy of India's continental dimensions. The result was that not only the installed capacity of the proposed steel plant at Rourkela was raised to one million tonnes, but two other steel plants, one at Bhilai with Soviet collaboration and another at Durgapur with British collaboration, were also planned to be put up in the public sector.

Other developments specially emphasised in this period were those in the fields of heavy engineering, heavy electricals and fertilisers. There was a further emphasis on the development of power facilities. Larger power projects had already been developing in the public sector and development of atomic energy had also been already reserved for the public sector; this was now given special emphasis. There was also an attempt to enter fields like drugs which, except for the bulk production of antibiotics, had been largely left to the private sector. The result was the establishment -- with Soviet collaboration -- of Indian Drugs and Pharmaceuticals limited. Oil exploration had already been taken up in the country in partnership with foreign interests through Oil India Limited. Now oil exploration directly through the public sector and with Soviet and other East European countries' collaboration was taken up through the establishment of the Oil and Natural Gas Commission, the India Refineries Limited and other related agencies.

Economic planning under the aegis of the government has been responsible for taking the country quite far on the growth path, initiating important structural changes in the manufacturing sector, raising output, employment, and prices, and causing real

wages either to stagnate or even fall.<sup>1</sup> The latter result is common experience in developing countries and may have been generally in accordance with the expectation of planners themselves even though the extent of inflation that has actually occurred may have taken them by surprise. It may be pointed out that the successive five year plans have never held out an assurance of a general rise in real wages even though promised a fair deal and more rights to workers.

Considering the stage of development of trade unions in India, the relationship between their growth and real wages has been significant in two respects. (a) these have expanded rapidly in those industries where the increase in employment has been substantial but real wages have fallen. (b) the increase in unionisation may have enabled workers to increase their earnings although the significance of this effect is not felt directly. The effect is indirect and has probably taken the form of capitalising in favourable situations and securing the implementation of socially approved principles through public articulations of workers' demands with or without the accompaniment of threat of action. Among favourable situations, the most important has been the sheltered state of market for most industries and rise in aggregate demand caused by the sustained expansion in the public sector including the so-called non-developmental activities. In a way, trade unions in Indian have grown rapidly under rather

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1. Johri, C.K., Unionism in a Developing Economy, (Asia Publishing House : New Delhi, 1967).

artificial circumstances which have been created by the decisions of the government to (i) take leadership in developing the economy, (ii) adopt economic policies that have led to inflation, (iii) insulate domestic enterprises from foreign competition and (iv) protect the real wages of workers in so far as it may be possible.

## CHAPTER VI

### Response of the Indian Government.

#### (a) Trade Unions and their impact on Voting Behaviour of Organised Labour.

As has been indicated above the Trade Unions have constituted a very important sector and an effective pressure group. In industrial centres the stant is mostly towards the leftist parties and whoever could enlist the support of organised industrial labour have showed up better in national, state and local elections even though they have not been formally associated with them. The Trade Union movement received momentum from the freedom movement while the political struggle for freedom got added impetus from the politically motivated trade unions.

India has three main communist parties, the Communist Party of India, a pro-soviet group; the more independent minded and militant Communist Party of India (Marxist), conventionally known as the CPI (M); and the revolutionary Communist Party (M.L.), or Naxalites.<sup>1</sup>

In any analysis of Communist support in India it is necessary to distinguish west Bengal, Kerala and Andhra Pradesh from the remaining States, for these are the three States in which the Communists have consistently performed well in all the elections.

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1. A detailed study on the Communist Parties in India is available in the work of Jawaid, S., The Naxalite Movement in India, (Associated Publishing House : New Delhi, 1979.

Only once have communist candidates in West Bengal, Kerala and Andhra Pradesh received less than 10 per cent of the popular vote statewide,<sup>1</sup> whereas in no other existing State (aside from the tiny Tripura in the remote north east) have they done even this well more than once.<sup>2</sup>

The difference between these states and the rest of India is less clear with respect to urban constituencies because much communist strength elsewhere is concentrated in the urban areas and on occasion is mildly impressive. Nevertheless, the distinction remains valid; and when the urban communist vote (in which trade labourers also have their representation) from West Bengal, Kerala and Andhra Pradesh is compared to the urban communist vote in other states, it can be seen that the former is at least three and usually four times as large as the latter. Moreover, a solid majority of communist victories in urban constituencies each year in these three States 12 of 20 in 1952 (7 in West Bengal alone, which has more urban constituencies than Andhra Pradesh and Kerala combined), 21 of 32 in 1957 (19 in West Bengal), 27 of 38 in 1962 (23 in West Bengal), 28 of 46 in 1967 (21 in West Bengal), and 12 of 24 in 1972 (9 in West Bengal; these figures include Kerala elections in 1970). The

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1. In Andhra Pradesh in 1972, when the CPI and CPI (M) combined acquired only 9.2 per cent of the total vote.
  2. The CPI received 17.7 per cent of votes in what is now Punjab in the 1957 elections, when it provided the only real opposition to the ruling Congress Party (until 1977). In 1969 the CPI secured 10.1 per cent of the votes in Bihar, the CPI(M) polling another 1.2 per cent. Tripura gave the Communist (mostly the CPI (M)) 29 per cent of the vote in 1967 and 40.8 per cent in 1972. These are the only instances in which the Communist Parties have received much as 10 per cent of the vote in any State other West Bengal, Kerala, and Andhra Pradesh.

1952 figures are understood because the CPI contested under the banner of the Peoples' Democratic Front in parts of what is now Andhra Pradesh and as independents in Travancore - Cochin. Many of these candidates were successful, including the urban constituencies. The 1962 figures do not include Kerala where Assembly elections were not held that year.

The Communist Vote : Urban Constituencies in  
West Bengal, Kerala and Andhra Pradesh (Combined)  
versus the Rest of the country (1952-1972.)

	1952 <sup>a</sup>	1957 <sup>a</sup>	1962 <sup>b</sup>	1967	1972 <sup>c</sup>
	(%)	(%)	(%)	(%)	(%)
West Bengal, Kerala, and Andhra Pradesh.	15.3(70)	22.3(74)	29.0(81)	28.9(95)	26.8(95)
			CPI	10.1	8.2
			CPI(M)	18.8	18.6
Rest of India	4.3(204)	6.7(229)	7.5(264)	7.1(286)	7.1(234)
			CPI	4.3	5.4
			CPI(M)	2.8	1.8

- a. Single member constituencies only. For 1952 constituencies now in Kerala are omitted; 9 of 11 urban and most rural were in Travancore - Cochin, where CPI candidates ran as independents.
- b. Kerala, which elected in 1960 and 1965, omitted.
- c. Kerala, 1970 is included in the absence of elections there in 1972. Orissa, 1971 and Tamil Nadu, 1971 are also included. West Bengal, 1971 is not included to avoid distortion in the time comparisons since, 1972 is included. Data for Rajasthan were not available. Average reflect the number of urban constituencies in each State. This table is taken from Weiner, M. & Field, J.O., Electoral Politics in the Indian States : The Impact of Modernisation, (Manohar Book Service : New Delhi, 1977) P. 22.



Indeed, a very substantial proportion of the disparity between the Communist vote in urban and rural India in each general election simply reflects the strong urban support given to the Communists in West Bengal. Of the three States in which the Communists are consequential, only in West Bengal does the Communist vote in the urban areas exceed that of the rural areas. In West Bengal the Communists have consistently secured a large vote in urban constituencies than in the countryside.<sup>1</sup> In Andhra rural support for the Communists always exceeded their urban support until 1972, when there was little difference. And in Kerala the Communists did better in the cities than in the countryside in 1959, but thereafter they have been stronger in rural constituencies. These distributions are shown in following Table.

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51. Only 1% separated the two in 1972, reflecting the serious attrition of support for the CPI (M) in the Calcutta Metropolitan area.

The Communist vote in Urban and Rural Constituencies:  
West Bengal, Kerala, and Andhra Pradesh (1952-1972)

West Bengal:

	1952 (%)	1957 (%)	1962 (%)	1967 (%)	1969 (%)	1971 (%)	1972 (%)
Urban	14.4	25.5 <sup>+</sup>	35.7*	37.4*	39.5	47.2	36.6
			CPI	10.6	11.1	9.5	8.2
			CPI(M)	26.8	28.4	37.7	28.4
Rural	10.6	13.2	19.6	19.9	22.0	37.6	25.6
			CPI	5.2	5.8	7.8	8.6
			CPI(M)	14.7	16.2	29.8	27.0

Kerala

	1952 (%)	1954 (%)	1957 (%)	1960 (%)	1965 (%)	1967 (%)	1970 (%)
Urban	-	25.3	32.0	31.3	25.4	28.1	22.4
				CPI	6.8	9.3	4.8
				CPI(M)	18.7	18.8	17.6
Rural.	-	16.4	34.5	39.8	28.2	32.7	33.4
				CPI	8.2	8.3	9.4
				CPI(M)	20.0	24.3	23.9

Andhra Pradesh.

	1952 (%)	1955-57 (%)	1962 (%)	1967 (%)	1972 (%)
Urban	17.5	19.9	16.2	13.9	10.6
			CPI	9.4	9.4
			CPI(M)	4.5	1.2
Rural	22.2	30.4	18.4	15.4	9.0
			CPI	7.7	5.6
			CPI(M)	7.7	3.4

\* Denotes significance (difference of means) at .01; + at .05  
(contd)

Elsewhere in India the Communists are a negligible force. Nonetheless, it is important to note that the Communists, as a matter of political strategy, do contest a larger proportion of urban than rural constituencies throughout the country and have consistently so in every election.<sup>1</sup> This strategy which reflects the recruitment patterns of the Communist parties in many States as well as their ideological predisposition to contest industrial working class constituencies, has reaped limited rewards for the Communists in either vote or seats. The Communists have won only a handful of urban seats outside of their three "strongholds" States : 8 in 1952, 11 in 1957 and again in 1962, 18 in 1967 and 12 in 1971-72. And although the Communists do proportionately better in urban than in rural areas in most States, the bulk of their seats and votes are still rural. For example, only 18% of the Assembly seats won by the Communists in 1967, when they secured their largest number of victories nationally, were in urban constituencies.

The Communist vote does not appear to be influenced by the city size. In the country as a whole communist support has

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Statistical testing was applied to every election year in West Bengal but could not be done for Kerala in 1954, 1960, 1965 and 1970; nor for Andhra Pradesh in 1952, 1955-57 and 1972.

West Bengal, 1952 and 1957 : single members constituencies only.

Kerala , 1957: the same; but for 1954 the urban figure refers to single member constituencies only while the rural figure includes from a state figure containing both. The same (urban = single member only, rural = mix) applies to Andhra, 1952 and 1955-1957. Figures for Kerala, 1954 pertain to constituencies in areas which became part of Kerala when the State was formed. Figures are not reported for 1952 since the CPI was under ban in Travancore - Cochin, its candidates running as independent there. The 1970 figures are derived from Newspaper reports of constituencies results. Figures for Andhra Pradesh, 1952 pertain to territories which became part of greater Andhra in 1956. The figures for 1955 and 1957 are combined since the elections were held in different parts of the State. The CPI contested in Hyderabad State in 1952 and in interior Andhra in 1957 as a member of the People's Democratic Front. The communist vote may therefore be slightly overstated for both years.

shown remarkable uniformity across size levels, a pattern which holds in the states where Communist strength is concentrated.<sup>1</sup> One surprising finding is that Calcutta has consistently yielded a lower vote for the Communists than have other urban constituencies in West Bengal. Thus while urbanity is a factor in Communist voting vis-a-vis rural areas, the "degree of urbanity", as measured by city size, is not.

Even though the Communists have generally done better in urban than in rural areas in most states other than Kerala and Andhra Pradesh, two qualifications must be kept in mind. The first as we have noted, is that outside of West Bengal it would be inappropriate to say that the Communists are a substantial force in urban India; and the second is that there is little evidence to suggest that the Communists are becoming stronger in India's cities. In the country as a whole the urban Communist vote has increased modestly since 1952, but no more so than the rural Communist vote. Moreover, these increases are confined primarily to West Bengal and Bihar, where the growth in Communist support has been dramatic. Between 1952 and 1971 support for the CPI and CPI (M) in West Bengal jumped from 14% to 47% in urban constituencies. In Bihar urban communist support increased from virtually nothing in 1952 to 26% in 1969. But in Andhra Pradesh the urban

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1. Lars Schoultz, "urbanization and changing voting Patterns : Colombia, 1946-1970", Political Science Quarterly, December 1972 (Vol. 87, n.4) p. 40.

Communist vote in 1967 (14%) was below what the vote in the same cities had been in 1952 (18%). And in Kerala the Communist split took its toll in 1965, reversing a marked trend of growth up to that point. In 1970 the combined Communist vote in Kerala's 11 urban constituencies was below the level 1954.

Outside of West Bengal and Bihar and the small state of Tripura, left-wing radicalism (as measured by votes for the Communists) has not been on the increase, despite occasional purts in electoral effort. This observation is further confirmed by an examination of the vote for the two Communist parties in 1967 and thereafter. Were left-wing radicalism growing, one might have expected an increase in votes for the more radical CPI (M) rather than for the CPI. The very existence of the CPI(M) reflects the discontent within the Indian Communist movement that the CPI was too soft on Congress. Since the split the CPI has become an ally of the ruling Congress Party, supporting it at the centre and in West Bengal, while in turn being supported by it in Kerala. If urban radicalism were moving in leftward direction, it should favour the CPI (M) over the CPI.

For the most part this is not the way in which Communist support has been distributed. To be sure, in West Bengal the CPI (M) has been substantially stronger in urban constituencies than the CPI (38% to 9% of the votes in 1971 and 28% to 8% in 1972), a pattern which holds in rural Bengal as well. Similarly, the CPI (M) has outpolled the CPI in both urban and rural Kerala, with

a somewhat better vote in the latter. But elsewhere the urban balance has usually been tipped in the other direction. In Andhra it was the CPI which emerged the stronger in the cities in 1967, whereas the two Communist parties were of equal strength in rural constituencies.

Demographic changes guarantee the urban areas an increasingly important role in India's electoral future. In 1971, 70 million Indians lived in urban settlements of over 50,000, a 47% increase over 1961. By 1981, if current urban growth rates continues, 103 million people will live in town and cities of this size, and by 1991 these urban areas will contain 152 million Indians. In the 1961-71 decade urban India grew at a rate nearly twice as fast as India as a whole (24.7%). By 1971 one out of every eight Indians lived in an urban constituency; and if urban growth continues at twice the rural growth rate over the next decade and a half, then by 1991 one out of every five and half Indians will live in a town or city larger than 50,000 persons.

If the polarization and radicalization trends continue, it seems likely that urban constituencies will demand even more of the attention and resources of party and government leaders than they do at present. Let us briefly review, then, these two long-term trends, both so suggestive of future developments.

First, elections are becoming more closely contested all over India. As the margins of victory become small, relatively slight shifts in votes can mean a substantial shift in the number of seats that a party wins or loses. The massive depot of Congress candidates in the urban constituencies of 1967 involved only

a small decline in the Congress vote. To the extent, that state Assembly or parliamentary elections become more closely contested, it is the constituencies where victories are by the smallest margins that will be given the most attention by political parties -- and by the government. In nearly three-fourth of the State elections in 1967 the margins of victory were smaller in the urban than in the rural areas, and in each successive election between 1952 and 1967 the urban constituencies have become competitive more rapidly than the rural constituencies. In Maharashtra nearly one out of four voters lives in an urban constituency; in West Bengal, one out of five, in Gujarat and Tamil Nadu more than one out of six, in Mysore (Karnataka) and the Punjab one out of seven; and in Andhra one out of eight. Closely contested elections in these states are likely to make their urban areas the political battlegrounds for competing parties.

Second, between 1952 and 1967, the "radical" vote, the vote for both the Communist parties increased more rapidly in the cities than in the countryside. This trend only showed in the early 1970's, when the governing Congress Party itself assumed a more radical posture. The protest vote was particularly acute in the 1967 elections, a time of growing food shortages and rising prices, factors that are again appearing in the mid - 1970's as a concomitant of petroleum and fertilizer shortages.

While the lowest income groups in the countryside suffer the most during periods of food shortages and inflation, it is the urban-middle class and the organised working class

that have the political resources to harass the government and threaten the regime. Certain urban occupational groups occupy strategic nodal points in the economy with the capacity to inflict damage far beyond their own local constituencies : the port workers in Calcutta and Bombay, railway workers in Hyderabad and Madras, State government employees in Patna and Lucknow, engineers in electric power stations and so on. There appears to be a long term trend towards greater political militancy in India's urban areas, a militancy that can be tapped by parties either of the left or right if it is not tapped by the governing Congress Party.

(b) Legislative Control over Industry through regulation of Industry:

To promote better relations between employers and employees and to bring about industrial truce an Industries Conference consisting of representatives of employers, workers, and the Government was held at New Delhi in December, 1947. The Conference revealed basic differences in the view points of labour and management, but eventually an Industrial Truce Resolution was arrived at unanimously. The Conference recommended that fullest use should be made of statutory and other machinery for peacefully solving industrial disputes, that a machinery for fixing fair wages and conditions of labour should be set up, and in each industrial undertaking Works Committees should be constituted. The Conference also requested labour and the management to maintain industrial peace and avert lock-outs



and strikes for three years.

After this Industrial Truce Resolution was passed the government of India incorporated the same in its Industrial Policy Resolution of April 6, 1948. In pursuance of the Industrial Truce Resolution of the government also appointed two Committees, namely, the Profit-sharing Committee and Fair wages Committee in 1948.

The recommendations of the Profit-sharing Committee were not unanimous and the labour representatives in the Committee, namely, Asoka Mehta, Khandubhai Desai, and V.B. Karnik dissented from the recommendations of the Committee. The question of Profit-sharing, one of the major causes of industrial strikes, therefore remained to be resolved by collective bargaining or through awards of the industrial tribunals.

The report of the Committee on Fair Wages was published in 1948. The Committee recommended that the lower limit of fair wages shall be the minimum wage and the upper limit would be fixed according to the industry's capacity to pay, and that in between these two limits the actual wages would be fixed on the basis of productivity of labour, the level of income, the place of the industry concerned in the economy of the country, and other factors. To implement the recommendations of this Committee the government introduced a bill, but this bill eventually lapsed. The recommendations of the Committee, however, remained as guiding principles which were subsequently followed by many Industrial tribunals.

After 1947 the number of industrial disputes diminished

somewhat. Whereas in 1947 the number of strikes and stoppages of work were 1,811; in 1948 they were 1,259; in 1949 they were 920; and in 1950 they were 814.<sup>1</sup> Some of the factors which reduced industrial tension and blessed the number of strikes were the introduction of certain enactments and ameliorative measures by the government since 1946. They were mainly the Industrial Employment (Standing Orders) Act 1946; the Mica Mines Labour Welfare Act, 1946; the Industrial Disputes Act, 1947; the Mines Labour Welfare Fund Act, 1947; the Indian Factories Act, 1948; the Coal Mines Provident Fund and Bonus Schemes Act, 1948; the Employees' State Insurance Act, 1948; and the Dock Workers (Regulation of Employment) Act, 1948.

Amelioration of the conditions of labour is provided for in Article 42 and 43. According to Article 42 the State shall make provision for securing just and human conditions of work and for maternity relief. And Article 43 says that the State shall endeavour to secure, by suitable legislation or economic organisation, or in any other way, to all workers, agricultural, industrial or otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and, in particular, the State shall endeavour to promote Cottage industries on an individual or cooperative basis in rural areas.

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1. Indian Labour Year Book, 1950-51, P. 175.

It is needless to say that the Constitution of India is considerably influenced by socialist ideas; the directive principles of State Policy lay down a socio-economic programme for the Socialist Pattern of Society. The laws enacted by the Parliament and the attitudes of the members of Parliament as revealed in Parliamentary Debates have been surveyed for this purpose. The Parliament has passed a range of laws covering various socialist aspects.<sup>1</sup> Laws about nationalisation and public sector have been

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1. A. Labour Laws.  
Pre-Independence :-

The Workmen's Compensation Act, 1923.  
The Indian Trade Union Act, 1926.  
The Tea Districts Emigrant Labour Act, 1932.  
The Children (Pledging of Labour) Act, 1933.  
The Indian Dock Labourers Act, 1934.  
The Payment of Wages Act, 1936.  
The Employers' Liability Act, 1938.  
The Employment of Children Act, 1938.  
The Mines Maternity Benefit Act, 1941.  
The Weekly Holidays Act, 1942.  
The Industrial Employment (Standing Orders) Act 1946.  
The Mica Mines Labour Welfare Fund Act, 1946.

Post-Independence :-

The Industrial Disputes Act, 1947.  
The Coal Mines Labour Welfare Fund Act, 1947.  
The Factories Act, 1948.  
The Dock Workers (Regulation of Employment) Act, 1948.  
The Minimum Wages Act, 1948.  
The Employees' State Act, 1948.  
The Industrial Disputes (Banking and Insurance) Act, 1948.  
The Coal Mines Provident Fund and Bonus Schemes Act, 1948.  
The Plantation Labour Act, 1951.  
The Mines Act, 1952.  
The Employees Provident Fund Act, 1952.  
The Collection of Statistics Act, 1953.  
The Industrial Disputes (Banking Companies Decisions Act, 1955.  
The Workers Journalists (Conditions of Service and Miscellaneous Provisions) Act, 1955.  
The Working Journalists (Fixation of Rates of Wages) Act, 1958.  
The Employment Exchanges (Compulsory Notification of vacancies Act, 1959.  
The Apprentices Act, 1961.  
The Maternity Benefit Act, 1961  
The Iron Ore Mines Labour Welfare Cess Act, 1961.

(contd)

relatively fewer, but there have been a number of enactments to control and regulate private business and industry with a view to making them conform to social purposes. These laws have conceived regulations in all their aspects i.e. from starting of the concern to the day-to-day management, production, transactions -- sales, advertisements, donations and so on -- and even the winding up of the concerns.

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The Motor Transport Workers' Act, 1961.

B. Laws about State Ownership and State Enterprises, etc.

Pre-Independence :-

The Land Acquisition (Mines) Act, 1885.  
The Land Acquisition Act, 1894.

Post - Independence :-

The Reserve Bank of India (Transfer to Public Ownership) Act, 1948.  
The Industrial Finance Corporation Act, 1948.  
The Damodar Valley Corporation Act, 1948.  
The Road Transport Corporation Act, 1950.  
The State Financial Corporation Act, 1951.  
The requisitioning and Acquisition of Immovable Property Act, 1952.  
The Air Corporation Act, 1953.  
The State Acquisition of Lands for Union Purposes (Validation) Act, 1954.  
The State Bank of India Act, 1955.  
The Life Insurance (Emergency Provisions) Act, 1956.  
The Life Insurance Corporation Act, 1956.  
The State Bank of Hyderabad Act, 1956.  
The River Boards Act, 1956.  
The Faridabad Development Corporation Act, 1956.  
The Coal Bearing Areas (Acquisition and Development) Act, 1957.  
The State Bank of India (Subsidiary Banks) Act, 1959.  
The Unit Trust of India Act, 1963.

Source :- Government of India, Ministry of Law,  
India Code, (Publication Division :  
New Delhi, 1962).

Some of the laws are quite thorough and comprehensive in their details. In the Factories Act, 1948, for instance, every aspect of labour interest is conceived in minute details. The exhaustive manner in which the safety and health of the workers is ensured will illustrate the point.<sup>1</sup> Similar details are prescribed for mines, transport and plantations. They conform to the latest innovations in the field. Provisions about maternity benefits, control and regulation of private industry and business, company administration, taxation and the like are also quite comprehensive to serve the purposes they are meant for.

The Parliament has also initiated legislation on subjects of socialist significance even though belonging to the Concurrent list. The whole mass of labour legislation is a vivid illustration of such an initiative. Where it was deemed wiser not to interfere with the privileges of the States, it has sought to expedite the matters with the States by framing 'Model Rules' or by legislating an avowed measure for centrally

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1. The Act requires managements to make suitable arrangements for cleanliness disposal of wastes and effluents, ventilation, suitable temperature, protection of workers from dust and fume, lighting, drinking water, lavatories, spittoons and the like. Standards of humidification and of cubic space required per worker and various detailed devices for preventing accidents are also prescribed, as, fencing of machinery, providing devices for cutting of power in emergency, strong hoists and lifts and so on.

administered areas which ultimately set standards for the State.<sup>1</sup>

Again where the States have provided for negative protection or safeguards, the Union has come forward to supplement these measures with positive measures.<sup>2</sup>

However, there have also been consolatory legislations. Some measures are merely stabilising, others are only enabling. The various Acts concerning hours of work, holidays and other similar matters only provide a legal sanction to prevailing conventions with a view to warding off severe and obvious type of exploitation of the labour and the consequent social crisis.

The force of such a basic measure as the Minimum Wages Act, 1948 is merely enabling. The Act is initially applicable to certain specified employments and it is left to the Union and the State Governments to extend the scope of the measure. The payment of Wages Act has also limited applicability. Enacted in 1966, few significant amendments have been made to orient it to socialist aspirations.

The measures for industrial housing are only facilitating.

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1. Asian example, reference may be made to model rules framed in 1955 about maternity benefits and the subsequent Maternity Benefit Act of 1961.
  2. The Reserve Bank of India (Amendment) Act, 1955 and the State Bank of India Act, 1955 for rural credit; and the Agricultural Produce (Development and Warehousing Corporation) Act, 1956, The Food Corporation Act 1964, the Seed Act, 1964. etc., for agricultural development to supplement land reforms.

They do not create any right for the worker to adequate and proper housing. The various State laws<sup>1</sup> provide for setting up of Housing Boards and Advisory Boards and for appointments of Housing Commissioners to administer the construction of houses. The amended Land Acquisition Act of 1894 passed by Union Parliament enables the employers to acquire land for the housing of their employees. The Employee's Provident Fund Act of 1952 provides for non-refundable advances to the labour for purchase, construction or acquisition of a house under a government housing scheme.

On some important issues the legislation is merely inaugural. Employment, recruitment and training of labour have not yet been attended to any considerable extent. An Act<sup>2</sup> of Parliament only requires establishment to notify all vacancies to the Employment Exchanges. Another Act<sup>3</sup> just safeguards the interests of apprentices.

It is, however, not that the Parliament is not conscious of these needs in a society pledged to socialism. Private Bills<sup>4</sup>

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1. The Bombay Housing Act, 1948; The Mysore Housing Board Act, 1955; The Madhya Pradesh Housing Board Act, 1950; The Hyderabad Labour Housing Act, 1952; The Uttar Pradesh Industrial Housing Act, 1955; The Punjab Industrial Housing Act, 1955; The Rajasthan Housing Schemes (Land Acquisition) Act, 1960, etc. etc.
  2. The Employment Exchanges (Compulsory Notification of vacancies) Act, 1959.
  3. The Apprentices Act, 1961.
  4. D.C. Sharma, Training and Employment Bill, 1953; Lok Sabha Debates dated December 11, 1955; also dated December 22, 1957. And P.S. Deshmukh, Lok Sabha Debates, April 12, 1951 and July 26, 1952. The Unemployment Relief Bill by H.S. Mukherjee, G.I.E. November 27, 1953, Gopalan, G.I.E., December 11, 1953 and Narayan, December 2, 1953.

have been regularly and consistently tabled in both the Houses of Parliament and have been welcomed by the private members as well as by those belonging to the Treasury Benches.<sup>1</sup> Such radical measures pose a genuine difficulty, since they can be formulated only on a strong developmental base.

The Payment of Wages Act of 1936, amended in 1957 and 1962, allows deduction of wages on account of housing scheme, insurance premium and the like, the national defence fund and other approved saving schemes to enable the worker to save for the future and the same time be a participant in nation's development and defence.

The provisions of the Provident Fund Schemes have been liberally extended, clarified and amended to suit the interests of labour.<sup>2</sup> More establishments and workers are now covered. Conditions are liberalised to favour the workers. Thus, conditions for membership in provident fund scheme originally as "continuous service of one year". Later it was amended to mean "240 days during the preceding one year." Subsequently a worker putting in 240 days' service even in less than a year's period was made eligible to join the provident fund.

The Industrial Disputes Act, 1947 has also been amended

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1. Lok Sabha Debates, April 12, 1951; July 26, 1952; December 11, 1953 and November 22, 1957 (Training and Employment Bill). Lok Sabha Debates, November 27, 1953; December 2, 1953 and December 11, 1953 (The Unemployment Relief Bill).
  2. The Employees Provident Fund Act, 1952. Amendments in 1956, (vide Lok Sabha Bill 73/1956); in 1958 - (Lok Sabha Bill No. 44 of 1958); in 1963 (vide Lok Sabha Debates August 29, 1963, Col. 3424).



a number of times to clarify the various conditions, to liberalise the rules in favour of labour and to fill the various lacunae in the law that came to light during the working of the Act. For instance, an amendment moved in 1955 removed an uncertainty about the definition of 'workman' and redefined it to include technical and supervisory personnel.<sup>1</sup>

The new Companies Act of 1956 has been amended frequently to ensure; among other things; that Company business helps attainment of the ultimate end of social policy, that interests of creditors, labour and other partners in production are protected.

The role of the public sector as not only a financier but even as a saviour of sick units in the private sector was emphasised through the establishment of the Industrial Reconstruction Corporation of India which was mainly to help finance the rehabilitation and rationalization of sick industrial units. The tendency in private industrial units to be mulcted of their profits and surpluses and their shareholders and employees (as well as creditors and Government) being left high and dry became increasingly apparent and the number of sick units in largely private controlled sectors such as textiles increased. The Government had to step in and take over the management and some times ownership of such units mainly to save large - scale distress among those employed in such units. In the textile industry, for instance, the Government of India had to establish the National

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1. Lok Sabha Bill No. 48/1955, September 21, 1955.

Textile Corporation for the purpose of managing such "sick" units. In this respect the public sector has been treated like what in India is called "Pinrapole" in which cows becoming milk-dry are left by their owners to be taken care of by charitable institutions.

There was considerable debate in the late sixties about the manners in which Government's economic, and specially industrial, policy was leading to increasing growth of private sector industries and concentration of economic power in the hands of larger industrial groups, monopoly houses and foreign companies. As a part of the political controversy which developed at that time, a major expansion of the public sector took place through the nationalisation of the 14 large commercial banks in the country. In effect, this meant that the bulk of the banking in the country came to be in the public sector, General Insurance was similarly nationalised. Another major development in this period was the nationalization of such Coal mines as had remained in the private sector.

To make sure that the workers of any establishment would not victimise the model standing orders were issued by the government. Consequently, a permanent workman has been defined as one who has been engaged on a permanent basis and includes any person who has satisfactorily completed a probationary period of three months in the same or another occupation in the industrial establishment including breaks due to sickness, accident, leave, lock-out, legal strikes or voluntary closure of the establishment. A probationer is a workman who is provisionally employed to fill in

a permanent vacancy in a post and has not completed three months' service therein. A badli is a workman who is appointed in the post of a permanent workman or a probationer, who is temporarily absent. A temporary workman is one who has been engaged for work of an essentially temporary nature likely to be finished within a limited period. A casual workman is one whose employment is of a casual nature. An apprentice is a learner who is paid an allowance during the period of his training.

Under the model standing orders every workman should be given a permanent ticket, unless he is a probationer, badli, temporary worker or apprentice and every permanent workman should be provided with a departmental ticket showing his number, which shall be subject to inspection by an authorised person. Every badli workman should be provided a badli card and the number of days worked by him should be recorded on it. The card shall be surrendered if the badli workman obtains the permanent employment.

Not only this but this movement has also obtained some achievements. For instance it was decided that the notice specifying the days of holidays, the pay days and the rate of wages payable to and for all classes of workmen and work should be displayed on the notice boards meant for the purpose. All workers should be present at the establishment at the appointed time and in case of late attendance, the concerned worker shall be liable to deduction under the Payment of Wages Act, 1936. The holidays with pay should be allowed to workers as provided in the Factories Act, 1948 and other holidays in accordance with law, contract, custom and

usage. In case any worker is retrenched as a result of the discontinuance such retrenchment should be effected under the provisions of the Industrial Disputes Act, 1947.

In the event of fire, catastrophe, breakdown of machinery or stoppage of power supply, epidemic, civil commotion or other cause beyond one's control, the employer may stop the working of any sections of the establishment wholly or partially for any period of time without notice and any time. In the event of such stoppage during working hours, the affected workers should be notified, as soon as possible, as to whether they are to remain or to leave the place of work. Ordinarily the workers should not be required to remain for more than two hours after the commencement of the stoppage. In case the workers are detained for more than an hour, they shall be entitled to receive wages for the whole time detained on account of stoppage but to no other compensation. In case of piece-rated workers the average daily earning in the previous month is to be taken as the daily wage. Reasonable notice for resumption of duty shall be given to workmen, wherever possible. In case the workers are laid off for short periods on account of failure of plant or a temporary curtailment of production, the period of unemployment shall be treated as compulsory leave either with or without pay. However, in case of indefinite long period of lay off, the workers may be retrenched after giving them due notice or pay in lieu thereof.

In the event of strike affecting wholly or partially any section or department of the establishment, the employer may

close down wholly or partially the concerned section, department or any other section or department affected by such close down. Such closure shall be duly notified to the workers as also the date when the work shall be resumed.

In order to terminate the employment of a permanent worker, one month's notice in other cases, should be given to him or pay in lieu thereof by the employer. However, no temporary probationer of badli workers shall be entitled to any notice or pay in lieu thereof, but the services of a temporary worker shall not be terminated as a punishment unless he has been given an opportunity of explaining the charges of misconduct alleged against him. In case of termination of employment of any worker, his earned wages and other dues shall be paid to him before the expiry of the second working day from the day on which his employment is terminated.

A worker may be suspended for a period not exceeding four days at a time or dismissed without notice or pay in lieu thereof, if he is found any guilty of misconduct. The acts and omissions which are to be treated as misconduct according to the model standing orders are : wilful insubordination or disobedience; theft, fraud or dishonesty in connection with the employer's business or property; wilful damage to or loss of employer's property; taking or giving bribes or any illegal gratification; habitual absence without leave or absence without leave for more than 10 days; habitual late attendance; habitual breach of any law applicable to the establishment; roitus or disorderly behaviour during working hours or any act of suversive of discipline; habitual negligence or neglect of work; frequent repetition of any act

or omission for which a fine may be imposed to a maximum of 2 per cent of the wages in a month; and striking work or inciting others to strike work in contravention of any law. No dismissal shall be made unless the concerned worker is informed in writing and is given an opportunity to explain the alleged charges. But in every case the approval of the manager or the employer where there is no manager, is to be obtained in case of dismissal and if warranted the manager or employer may institute independent enquiries before dealing with the charges against a worker. In case a worker is covered by Article 311 of Clause 2 of the Constitution of India, the provisions of that Article shall be complied with.

In case of suspension, the order of suspension shall be in writing and may take effect immediately on delivery to the worker. Such order should set out in detail the alleged misconduct and the worker be given the opportunity to explain the allegations. If on enquiry the order is confirmed the worker shall be deemed to have been absent from duty for the period of his suspension and shall not be entitled to any remuneration. If, however, the order is rescinded, the work shall be deemed to have been on duty during the suspension period and paid the full wages.

(c) The Impact of Industrial unrest over National Planning.

After the Russian Revolution of 1917 the chief attraction of socialism to some academic Economists lay in the idea of planning and not in the idea of class war or of economic equality.

A National Planning Commission was set up by the Indian National Congress Party in 1938 with the support of Jawaharlal Nehru and Subhas Chandra Bose both of whom declared themselves to be socialist to inquire into the possibility of a planned development of India's resources.

Nehru believed that in a country of arrested economic growth such as India, planning was essential. He declared that :

"I am all for tractors and big machinery and I am convinced. The rapid industrialization of India is essential to relieve the pressure on the land, to combat poverty and to raise standards of living, for defence, and a variety of other purposes. But I am equally convinced that the most careful planning and adjustment are necessary if we are to reap the full benefit of industrialization and avoid many of its dangers. This planning is necessary today in all countries of arrested growth, like China and India, which have strong traditions of their own."<sup>1</sup>

The object of planning in India is to give a social and economic content to political freedom. In 1947 the economic picture in India was not markedly different from what it had been 50 or 60 years before. The economy was depend in a high degree on the vagaries of agriculture. Vast number, of people continued

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1. Nehru, J.L., The Discovery of India, op. cit., P. 488.

in a state of poverty. The rate of saving the economy was low and the advances made in communication, trade and industry were scarcely enough to meet the pressure of population. Political freedom made it possible for the people of India, as indeed it cast upon them the obligation, to harness their resources and to build their own future. Thus, the need for their own future. Thus, the need for planning arose, on the one hand, from the desire to pursue long-term social and economic aims and to create a pattern of democratic society capable of solving the urgent problems of the mass of the people and, on the other hand, from the fact that the resources available were small and had to be husbanded carefully and developed steadily.

While the possibilities of planning could be realised only after India attained freedom, the urge of planning and the readiness of the country to undertake planning had taken root several years before. In the late thirties, many thinking persons could see that without planning India's immense problems could not be solved. More than a year before the World War II the Indian National Congress Party set up a National Planning Committee with Jawahar Lal Nehru as Chairman. The political circumstances of the time did not favour constructive work of this kind, and the committee was not permitted to complete its work. However, through a series of studies which it prepared and the groups of able men and women whom it assembled for the study of national problems, the Committee laid the foundations for later planning. During the War, there was considerable public interest in fifteen years plan



of development which was put forward by a group of leading Indian businessmen in Bombay. This was followed by the setting-up at the Centre of a Planning and Development Department. Both the Central Government and the states drew up post-war reconstruction schemes. Many of these were put into effect, and when the First Five Year Plan was taken in hand one of its important tasks was to bring many projects, which had been thought of or initiated earlier, into a well-knit programme which blended the new with the old. It would, however, be fair to add that through the years, a growing body of public opinion had begun to perceive the necessity of planning, but not yet its implications in term of the total effort which the entire community and different sections of it would be called upon to make.

The Planning Commission derived its main aims from the Constitution, which called upon the State to strive to promote the welfare of the people by securing and directing as effectively as it could a social order in which justice - social, economic and political - should inform all the institutions in national life. The State was directed under the Constitution to secure that all citizens, men and women equally, had the right to an adequate means of livelihood; that the ownership and control of the material resources of the community were so distributed as best to subserve the common good, and that the operation of the conomic system did not result in the concentration of wealth and means of production to the common detriment. These are necessary objectives in any democracy, but even in the early stages it was realised that the

poverty of the people, the low levels of productivity and the very magnitude of the task to be undertaken were serious obstacles. It was obvious that the social and economic development of a country such as India could scarcely be accomplished within a brief period of five or ten years, but it was hoped that during the first decade of freedom strong foundations could be laid, new lines of policy initiated and the cooperation of the people elicited for what was necessarily a continuing endeavour.

This then was the perspective against which the First Five Year Plan was prepared. The Plan was conceived modestly, its main preoccupations being the prevailing inflationary situation and the food shortage, but in several directions it set into motion new social and economic processes whose significance was to grow with time. The Plan envisaged a total outlay of Rs.2,069 crores in the public sector, and investment of the order of Rs.1,700 crores in the private sector. A little less than half of the outlay in the public sector was to be devoted to the rural sector. The distribution of expenditure under the First Five Year Plan was to be as follows :-

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First Five Year Plan (1951-1956)<sup>1</sup>

	In crores of Rs.	Per Cent of total
Agricultures and Community Development. ..	361	17.5
Irrigation. ..	168	8.1
Multi-purpose Irrigation and Power Projects.	266	12.9
Power	127	6.1
Transport and Communica- tion ..	497	24.0
Industry ..	173	8.4
Social Services, Rehabilitation and Miscellaneous	477	23.0
	2,069	100.0

The first plan led off with new policies and programmes along at least five different directions :

- (a) Strengthening of the rural base;
- (b) building up of economic and social overhead;
- (c) enabling the private sector to advance rapidly and make its contribution to economic growth;
- (d) recognition of the role and possibilities of the public sector for industrial development; and
- (e) expansion of social services and, in particular, the creation of wider opportunities for the less developed section of the population.

1. This chart is prepared by the assistance of, ed. Manshardt, C., The First Decade, (The United States Information Service : no place ?, 1957) P. 43.

First Plan, during the first half of the Plan developmental out lays were being only slowly stepped up and the Five Year Plan had just begun to enter into the consciousness of the people. Improvement in agricultural production in 1952-53 followed by the bumper harvest of 1953-54 help to absorb to a very large extent the inflationary pressures which had persisted for several years. The Grow More Food and other agricultural programmes which had been undertaken for several years were now beginning to produce an impact, but favourable seasons were no small element in the change which came about in India's economic situation. The marked increase in agricultural production which was recorded in 1953-54 made it possible to free the Indian economy from the complex and wearying system of controls which had been in existence for nearly 10 years and prepared the way for expansion both in the public and in the private sectors.

The results of the First Five Year Plan in many ways encouraging. The Plan had visualised an increase in national income amounting to 11 per cent; the increase recorded over the Plan period was 17.5 per cent.

In the First Five Year Plan, the government of India had stressed upon the problems facing working class of the country. It was, to the some extent, less attention upon the labour class in comparison of the Second, Third, Fourth and Fifth Plans. However, it was proclaimed by the government that the State must foster condition in which these principles can be applied: it must help to equalise the bargaining powers of workers and

employers so that there can be effective voluntary negotiation and collective bargaining. The needs of the workers must be met in greater opportunities of employment, adequate wages and safer work places, better houses with water supply and so forth. The workers' pay should be adequate to meet essential needs and they must have obtain better facilities. The efficiency and productivity of the worker are intimately linked with better standards of living. The workers and their leaders must realise their responsibility and their roles in the national efforts. They must contribute to improve productivity if higher wages are to be paid.

According to the First Five Year Plan, in January and February, 1955, the Ministry of labour conducted the first part of its manpower survey. About 5,000 employers in industrial, financial, transportation and other type of establishments, both public and private, were visited and asked for information about their current employment and their forecasts of employment six months latter. The result was that the total 770,000<sup>1</sup> were employed in January and February, 1955, and the forecast was that 859,000 would be employed iwithin the coming six months.

The various sources of information confirm that wages in India are low relatively to those in many countries. There was no law fixing minimum wage rates or setting up machinery to determine them. It was suggested to the Indian Government that the government can either establish a lower limit for wages - making it

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1. See First Five Year Plan Vol. II (Government of India Publication New Delhi, May 1956) P. 463.

illegal to pay anyone less than a certain amount per hour or per day in order to stop exploitation of labour. It is duty of Government to take action to eliminate the worst forms of exploitation and a Statutory Board should be established to look into the position of certain classes exploited workers, and to advise the Government in fixing minimum wages for them. The Plan was observed that the importance of the trade unions has been much greater than their number of membership would indicate. There is no doubt that the unions are growing steadily. The number and membership of trade unions registered under the Trade Union Act, 1926, increased from 150 and 192,000 to nearly 400 and 420,000 respectively between 1948 and 1954.<sup>1</sup> The Government of India in August 1955 stated its policy as being "to encourage growth of genuine and healthy trade unions." The Indian Government said that this is a sound policy for a country whose development programme is aimed at increasing the well-being of common-man. The trade union movement is rightly looked on as a means for introducing democratic processes into industrial life. Joined together in their unions, workers can obtain a voice in the settlement of the terms and conditions under which they spend their working lives. In a time of rapid industrialisation and major economic change, labour relations can be expected to be somewhat turbulent. From 1948 to 1954, the Indian Government referred 33 disputes to industrial tribunals under the Industrial

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1. See First Five Year Plan, Vol. II (Government of India Publication : New Delhi, May 1956). P. 463.

Disputes Act, 1947.<sup>1</sup> It was stated in the First Plan that an improve system of union-management relations would not eliminate all industrial disputes. The purpose of union recognition is to create fair and constructive relationship between the parties and then to leave them free to work out their own solutions to the issues between them. The government can help the parties to reach agreement in important cases by appointing courts of inquiry to find and report the facts of the disputes.

In the Second Five Year Plan, India had to provide not only for some 10 million new entrants to the labour force but also for more than 5 million persons representing the backlog of unemployment. There were besides large numbers of under-employed persons accounting for perhaps one-fourth to one-third of rural workers. It is only through rapid economic advance that the difficult social and organisational problems of underdeveloped countries begin to be resolved. It was, therefore, natural for India to formulate the Second Five Year Plan with objectives bolder and more far-reaching than those of the First Plan. These were :

- (a) a sizeable increase in national income so as to raise the level of living in the country;
- (b) rapid industrialisation with particular emphasis on the development of basic on the development of basic and heavy industries;
- (c) a large expansion of employment opportunities; and
- (d) reduction in inequalities in income and wealth and more even distribution of economic

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1. See, First Five Year Plan (1955-60) Vol.II, (Government of India Publication : New Delhi, May 1956), P.475.

power.<sup>1</sup>

A plan of economic development is such more than a set of programmes and projects; it embodies also a view of the future, a conception of the social order through which economic progress and the welfare of the people are to be achieved and social and economic stability ensured.

Through its Second Five Year Plan, India proposes to achieve an increase in national income of 25 per cent, and to expand employment opportunities outside agriculture to the extent of 8 million jobs. It was recognized that total outlay in the public sector of Rs.4,800 crores and a total investment in the private sector of Rs.2,4000 crores, which the Plan visualised, would place the economy under a degree of strain. The stage was passed when the targets and the tasks which the country set itself could be related to anything short of an intense and continues effort on the part of the administration and the people. With the expansion of production in steel, cement and heavy industries, the index of production of producers goods was to rise during the Plan by about 75 per cent, and of factory produced consumer goods by 18 per cent. The Industrial Policy Resolution of April, 1956, provides a framework for rapid industrial development through the combined efforts of both the public and the private sector working together to fullfil the National Plan.<sup>2</sup>

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1. See. Second Five Year Plan (Government of India Publication 1 New Delhi)
  2. Ed. Manshardt, C., op. cit., P. 51.



The goals for industry and mining are even more impressive a 64% increase in net industrial production; a 150% increase in capital goods alone; a 63% increase in coal; 108% in cement and 231% in steel, from 1.3 to 4.3 million tons per year. Railways were to be modernized and extended — and Indian already possesses the fourth largest railway system in the world.

Before the Second Plan was formally inaugurated, the Indian Government announced a new industrial policy to reflect the emphasis on an enlarged public sector. The Resolution of 1956 retained the form of three categories, but increased the scope of State enterprise. The list of reserved industries, the future development of which will be the exclusive responsibility of the State, was increased from 6 to 7 and included all 'of basic and strategic importance, or in the nature of public utility service vices ..... and other industrial which are essential...." Moreover in the oncurrent list in State's dominant responsibility was clearly enunciated. And even in the third category, privately controlled industries the State was not excluded. However, existing private industrial concerns would not be nationalize, and the division into categories was not intended to be rigid. In fact, the door was left open for joint State - promote under-takings.<sup>1</sup>

Looking at the basic strategy of India's Second Five Year Plan, we find that there was a marked emphasis on the development of basic and capital goods industries. About 20 per cent of the total outlay fell under these heads. Expenditure under large scale industries, scientific research and minerals was about Rs.60 crores during the First Plan period. The Second Plan, bent on initiating a bold progress of industrialization for the

country, decided to spend Rs.690 crores on these heads.

The Planning Commission believed that the rapid industrialisation was necessary for the process of accelerated economic growth. Without industrialisation it is almost impossible to remove the surplus population from agriculture; and if this removal process is delayed, then the standards of living of both the rural and urban population would deteriorate. Second Five Year Plan, decided to embark upon an industrialisation programme which would strengthen the capital base, increase productive capacity cum technical efficiency and accelerate the flow of new investment.

If industrialisation is to be rapid enough, the country must aim at developing industries like iron and steel, nonferrous metals, coals, cement, heavy chemicals and others which assist in producing capital equipments. But the development of these heavy and basic industries, though they create a strong capital base, can absorb comparatively less man power. Investment in basic industries enhance the purchasing power of the people and generates demands of consumer goods, but it does not enlarge the supply of the same in the short run. A balanced pattern of industrialisation, therefore, requires a well organised effort to utilise labour for increasing the supplies of much needed consumer goods. It was decided that during the Second Plan period, an increased supply essential consumer goods would come from cottage and small scale industries. Therefore, a provision of Rs.200 crores was made for the expansion and development of village and small scale industries during the

Second Plan period, though Rs.175 crores were actually spent for this purpose. Thus, the emphasis on cottage and small scale industries in the Second Plan, because a subsidiary technique for reinforcing the basic strategy of stepping up the development potential of the industrial sector.

The role of trade union movement received much attention in this Plan. It was felt that a strong trade union movement is necessary for both for safeguarding the interests of labour and for realising the targets of production. Multiplicity of trade unions, political rivalries, lack of resources and disunity in the ranks of workers were some of the major weaknesses in a number of existing unions. This Plan said that it is often suggested, that independence of unions on outsiders as their executives in one of the many causes of unhealthy rivalries in the trade union movement. It must be recognised that outsiders have played a notable part in building up the trade union movement in the country.<sup>1</sup> But for their association, the movement would not have reached even its present dimensions and strength. A distinction needs to be drawn here between outsiders who are whole-time trade union workers and those who look upon union work only as a part of their other activities.<sup>2</sup> Improving the finances of trade unions from their internal resources was considered another important aspect of strengthening the movement. In their desire to build up membership of as large a magnitude as possible, unions

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1. Second Five Year Plan, (Government of India Publication: New Delhi, 1956, P. 572.

2. Second Five Year Plan, (Government of India Publication: New Delhi, 1956), P. 572.

fix their membership fees at extremely low rates and fail to collect even these. Regular payment of union dues on the part of workers, and termination of membership by unions of those falling in arrears of dues are both uncommon. It was felt that a membership fee of at least four annas a month be prescribed in the rules of a trade union as a condition precedent if it desires registration as a recognised union. It is equally necessary that there should be stricter enforcement of rules regarding payment of arrears.

In the Second Five Year Plan, greater emphasis was placed on avoidance of disputes at all levels, including the last stage of mutual negotiations, namely conciliation. It was decided in the Plan that once disputes arise, recourse should be made to mutual negotiations and to voluntary arbitration. The machinery for facilitating these stages should be built up by the Central and the State Government. The Machinery for settlement of disputes, as obtaining in 1950, was cumbersome<sup>1</sup>. The proposed amendment of the Industrial Disputes Act aiming at (i) simplifying the procedure for adjudication (ii) abolishing the Labour Appellate Tribunal, and (iii) removing difficulties experienced by parties in administering Section 33 of the Industrial Disputes Act, consistent with the protection of the legitimate interests of workers, was step in the right direction. One of the sources of friction between labour and management was inadequate implementation and enforcement of awards and agreements. There was no provision for enforcing

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1. Ibid., P. 575.

compliance with the directions contained in awards, other than those involving financial recoveries, such as reinstatement of an employee or the provision of an amenity. The only remedy against the employer in such cases was to prosecute him under the Industrial Disputes Act, 1947, but this remedy was ineffective as the maximum punishment was only Rs.200/- for a first offence and Rs.500 for subsequent ones. According to this Second Plan, the penalties should be sufficiently deterrent. Penalties for workers in case of deliberate violation should be of a deterrent nature.

A standing joint consultative machinery could effectively reduce the extent of industrial unrest. It is necessary to have such machinery at all levels, at the Centre, in States and in individual units. Works committees could function in the Units in this capacity. A major hindrance in the way of effective functioning of works committees is the lack of a clear cut demarcation between their responsibilities and the responsibilities of trade unions operating in the field. The representative union should have the sole right of taking up with management matters or disputes in connection with wages, allowances and other terms and conditions of service.

While the observance of stricter discipline, both on the part of labour and management, is a matter which cannot be imposed by legislation — it has to be achieved by organisations of employers and workers by evolving suitable sanctions of their own — some steps, legislative or otherwise, in case of rank indiscipline require to be thought of. There have been instances of 'go-slow', 'Pen-down', and 'stay-in-strikes', which, in the

larger interests of the economy, should not go unnoticed. Steps like better lay-out of plants, improvement in working conditions and training of workers could ensure increase in output without correspondingly increasing the strain on workers, and in some cases lead to increased output with reduced strain. Another step in this direction would be the introduction of payment by results in areas where at present this principle did not apply. The approach should be followed, subject to adequate safeguards for workers, the main guarantees being a minimum wage and protection against fatigue and undue speed up.

The Third Five Year Plan declared that the structure of industrial relations has been designed for the purpose of securing peace in industry and fair deal for the workers. Provisions have been made for conciliation of disputes and for enabling the State to refer unresolved differences to tribunals set up for the purpose.<sup>1</sup> Stoppage of work after such a reference and any contravention of awards and agreements have been made illegal. This system has helped to check the growth of industrial unrest and has brought for the working class a measure of advance and a sense of security which could not otherwise have been achieved. A Code of Discipline in industry, which applies both to the public and to the private sector, has been accepted voluntarily by all the Central Organisations of employers and workers and has been in operation since the middle of 1958. The Code lays down specific obligations for the management and the

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1. Third Five Year Plan (Government of India Publication: New Delhi) P. 250.

workers with the object of promoting constructive cooperation between their representatives at all levels, avoiding stoppages as well as litigation, securing settlement of disputes and grievances by mutual negotiations, conciliation and voluntary arbitration, facilitating the free growth of trade unions and eliminating all forms of coercion and violence in industrial relations. The result so far achieved are encouraging both in terms of the reduction of man-days lost owing to stoppages and in bringing about a general improvement in the climate of industrial relations. The number of man-days lost declined steadily and significantly from 47 lakhs during January - June 1958, the six month prior to the introduction of the Code, to 19 lakhs during July-December 1960.<sup>1</sup>

A major programme for the period of the Third Plan was the progressive extension of the scheme of Joint Management Councils to new industries and units. As it developed, workers' participation was become a highly significant step in the adaptation of the private sector to fit into the framework of a socialist order.<sup>2</sup> This Plan felt a need for a considerable re-adaptation in the out-look, functions and practices of trade unions to suit the conditions which have arisen and are emerging. They have to be accepted as an essential part of the apparatus of industrial and economic administration of the country and should be prepared for

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1. Third Five Year Plan, (Government of India Publication : New Delhi) P. 251.

2. A "Socialistic Pattern of Society" was planned by Jawaharlal Nehru in 1954.

the discharge of the responsibilities which attached to this position. Trade union leadership has to grow progressively out of the ranks of the workers, and this process will be greatly accelerated as the programme of workers' education gathers momentum. The Government assumed responsibility for securing a minimum wage for certain sections of workers, in industry and agriculture, who were economically weak and stand in need of protection. For this purpose, the Minimum Wages Act was provided for the fixation and revision of wage rates in those occupations.<sup>1</sup> The Employees' State Insurance Scheme was implemented in more than a hundred centres covering about 17 lakhs industrial workers.<sup>2</sup> During the Third Plan, the medical care and treatment including hospitalisation and midwifery services was extended to the families of insured persons in all centres where the scheme was in operation. The Employees' Provident Fund Scheme, which covered 58 establishments was further extended. A Standing Advisory Committee was set up to promote measures for bringing down the incidence of accidents in factories. Steps were to be taken in pursuance of the recommendations of the Mines Safety Conference and its various committees concerning various aspects of the problem of safety in all mines.<sup>3</sup>

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1. Third Five Year Plan, (Government of India Publication: New Delhi) P. 256.

2. Ibid., P. 257.

3. Third Five Year Plan, (Government of India Publication: New Delhi) P.258.



The Fourth Five Year Plan brought some more benefits for the working class. In this Plan Employees' State Insurance Scheme expanded steadily. It covered about 3.78 million insured persons and 3.76 million insured persons' families spread over 313 centres at the end of October 1969. The medical and other benefits extended to workers increased from about Rs.6 crores in 1960-61 to Rs.28 crores during 1968-69. Under the Coal Mines Labour Welfare Fund Scheme, the expenditure on medical, educational, housing and other facilities increased from about Rs.163 crores in 1960-61 to about 4.33 crores in 1968-69.<sup>1</sup> The Employees' Provident Fund Scheme was extended to about 5.38 million workers in 123 industries and about 45,000 establishments by June 1969 as against 2.9 million workers in about 46 industries and 12,000 establishments in 1961. The total contributions under the scheme increased from Rs.266 crores in 1961 to Rs.1,391 crores by June 1969. The enactment of the Payment of Bonus Act, 1965, Shop and Commercial Establishment Act and Labour Welfare Fund Acts in States came into existence in this Plan. A National Safety Council was set up in 1966. Out of the 22 Wage Boards set up covering almost all the major industries. In December 1966, the Government of India had set up a National Commission on Labour to study and make recommendations, welfare, trade union development and labour-management relations.<sup>2</sup>

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1. Fourth Five Year Plan, (Government of India Publication : New Delhi), P. 422.

2. Ibid., P. 423.

The Government of India made an over-all survey in the Fifth Five Year Plan on the previous progress and concluded that the steady progress is being achieved in social security measures. The Employees' State Insurance Scheme which provides for medical benefit in kind and certain cash benefits to insured persons has been extended to cover 4.2 million employees as on June 30, 1973.<sup>1</sup> The question of expansion of the coverage of the Employees' State Insurance Scheme has been considered by the Employees' State Insurance Corporation. The Committee has recommended that the Employees' State Insurance Scheme should carry out a 5-year phased programme of extension to additional categories of establishments, including smaller factories, shops and commercial establishments, mines and plantations. The welfare of workers in coal, mica, and iron ore mines was to be known the responsibility of the Statutory Coal, Mica and Iron ore Labour Welfare Fund respectively. Setting up of similar welfare funds to look after the welfare of workers in mines other than mentioned, had been engaging the attention of the Government. The Limestone and Dolomite Labour Welfare Act, 1972 was passed and steps were taken to set up a Welfare Fund for the benefit of workers employed in those mines.<sup>2</sup>

Furthermore, it was indicated by the Planning Commission that the nature of growth of the public sector will be leaving

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1. Fifth Five Year Plan, (Government of India Publication: New Delhi), P. 273.

2. Ibid., P. 273.

old established giants units such as the Railway and Post and Telegraphs, the number of Central Government undertakings has increased from a mere five units in 1951-52 with an investment of Rs.29 crores to 130 units in 1976-77 with an investment of Rs.10,500 crores. In addition there are a large number of units established by State Governments and local authorities. Of the total employment provided in the organised sector of the Indian economy in 1976, 66 per cent was in the public sector and 34 per cent in the private sector. Out of the 20 million persons employed in the public sector, and over 7 million were in the Government service of different kinds, 2.4 million in transport and a 0.9 million in construction. This number may be compared to 4.1 million employed in manufacturing and 1.2 million in services in the private sector.<sup>1</sup> Nevertheless, we can say that all efforts were made by the Government of India through the National Planning to curb unrest among the workers and to facilitate them in the all spheres of life.

The trade union movement has also gained in status at the hands of both the Government and the employers. The Planning Commission and Parliament have considered it important enough to assign it the vital responsibility of improving the lot of workers and, cooperating in the implementation of five year plans. The trade union movement has won for workers important rights. It is no longer possible to lay off or retrench workers without compensation. The principle of seniority has found wide acceptance. The

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1. These statistics are taken from the Secular Democracy (New Delhi), Vol. XI, no. X, May 2, 1978, P. 26.

principle of equality in industrial wage determination has been repeatedly upheld by the Wage Boards. The right to hearing in accordance with the due process is now enshrined in case law. The principle of social justice has been advocated by the party in power, affirmed in successive five year plans, and has won adherents at all levels of the Judiciary. These are solid achievements of the trade union movement.

(d) Trade Unions and the Constitution.

The Constituent Assembly resolved to guarantee and secure "to all the people of India, justice-social, economic and political, equality of status and opportunity before the law, freedom of thought, expression and belief, faith, worship, vocation, association and action, subject to law and public morality".<sup>1</sup>

Moving this resolution the Prime Minister of India late Jawahar Lal Nehru made it clear that even though the word socialism was not used in the resolution to avoid misunderstanding and fruitless controversy, the resolution contained the elements of socialism. He held the Assembly in an assertive tone :

"Well, I stand for socialism and I hope India will stand for socialism ... the whole world will have to a that way."<sup>2</sup>

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1. Constituent Assembly Debates, Vol. 1, No.5, December 12, 1946, (Text of the Resolutilion -- Clause 5)

2. Ibid., P. 60.

Socialism, as contemplated by the resolution, is not concerned merely with the proletariat or the working people, but with the people of India as a whole. P.D. Tandon<sup>1</sup> rejected the suggestion that the phrase "all the people of India" be replaced by the phrase "working people". Thus, the framers of our Constitution, conceived of socialism which has nothing to do with proletarian socialism and the class-conflict implied in it.

According to the resolution and the speeches of the members, Indian socialism would aim at :

- 1) Justice : Social, economic, and political.<sup>2</sup>
- 2) Equality of status and opportunity.<sup>3</sup>
- 3) Equality before law.<sup>4</sup>
- 4) Eradication of poverty in India and bringing human happiness in the country.<sup>5</sup>
- 5) Immediate removal of social disabilities of Harijans and other depressed classes women.<sup>6</sup>
- 6) Social ownership of the means of production.<sup>7</sup>
- 7) Curbing of the power of the money-lenders, the landlords, the zamindars and the Malguzars to prevent them from exploiting the masses.<sup>8</sup>
- 8) Sufficiency of food and cloth and their equitable distribution.<sup>9</sup>

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1. Constituent Assembly Debates, Vol. I, No.5, P. 64.

2. Ibid., Vol. I, No.5 December 12, 1946(Text of the Resolution-- Clause 5).

3. Ibid., 2 & 3 : Clause 5 of the Resolution.

4. R.K. Sidhwas, Constituent Assembly Debates, Vol.1, No.5.P.113.

5. Smt. Dakshayani Nelaydhan, Ibid., P. 147

6. N.V. Gadgil, Ibid., P.258. ("It..... the resolution) lays down that there will be economic justice, which can only be secured if the production in the country ultimately comes to be socially owned."

7, N.G. Ranga, Ibid., P. 263.

8. Algurai Shastri, Ibid., P. 270

9. Ibid.., P. 270.

The Constitution of India provides for universal adult franchise. Citizenship is conferred irrespective of social and economic status, class, creed, religion and sex. There is no provision for different degrees of citizenship; equal and uniform rights are given to all citizens. Thus, the provisions of our Constitution relating to citizenship are board - based. There is nothing socialistic about these provisions, they are usually found in any democratic set up. In the Contituent Assembly debates also, no socialistic influence seems to have been exerted with regard to these provisions. This part of the Contitution has been influenced by progressive liberal forces, yet the provisions contained in this part of the Constitution are not without significante of socialism or socialistic pattern of society, in as much as they do not recognise any special privilege or rights consequent upon ownership of property, being educated or belonging to a particular class.<sup>1</sup> These provisions also provide scope for socialism. At any time only a few capitalists or feudal - lords exploit the masses. The exploited are always in majority. Whenever they become conscious of being exploited, they can vote out the capitalists from the Government and send their own representatives. Such as possibility visualised by the provisions of equal citizenship, can work as a deterrent on the exploiters. Government would have to secure to the masses

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1. Advani, B.T., Influence of Socialism on Policies Legislation and Administration in India since Independence, (Sterling Publishers (P) Ltd. : New Delhi, 1975), P. 39.

their rights.

Article 14 provides<sup>1</sup> that the "the state shall not deny to any person equality before law or equal protection of the laws within the territory of India". From the socialistic point of view the provision of Article<sup>2</sup> would seem to be inadequate in two respects:

(a) Article 14 prevents discrimination only by the State, not by the individuals. If a private business firm treats its employees unequally, the discriminated persons have no legal remedy. The framers of the Constitution were not prepared, in the interest of democracy to which the nation was pledged, to interfere so much with the liberty of the individual as to extend the scope of the Article 14 to individual citizen. That would have however rendered the fundamental rights utterly meaningless. Moreover, no society in the world can claim to be absolutely free from any kind of discrimination. Yet, our Constitution has, in certain respects, prohibited discrimination by individuals for instance, prohibition of untouchability and other social disabilities and abolition of titles. Thus, the scope of social

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1. Constitution of India (Text)

2. It deals with the Equality before Law and equal protection of Law.

equality is wider than that of legal equality provided in our Constitution.

(b) Though the Constitution guarantees equality to all citizens in the right to sue and to be sued, it does not provide equal facilities of access to the courts. The poor cannot have as much legal assistance as the rich. This takes away the reality of the right.

Under the existing social system in India, discrimination on grounds of religion, race, caste, sex or place of birth has been very unhealthy and derogatory.

In India, socialism would be inconceivable without the removal of social discrimination confused mostly with religious dogma. By providing against such discrimination, and that in such an important part of it as the Chapter on fundamental rights,<sup>1</sup> the Constitution has done a singular service to the cause of Indian socialism. The framers of the Constitution were not motivated by socialistic aspirations in making this provision. They were guided by the necessity of maintaining Unity in India.<sup>2</sup> Yet the provision satisfied the socialists among the framers.

The State can practise discrimination in the interest of social welfare. It may make any special provisions for women and children, even though discrimination on grounds of sex is prohibited.<sup>3</sup> Again, by the Constitution (1st Amendment) Act of

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1. Constitution of India, Article 15

2. Constituent Assembly Debates, Vol. VII, PP. 661-662

3. Article 15 (3) of the Constitution of India.



1950, it has been laid down that right to equality will not prevent the State from making any special provisions for the advancement of any socially and educationally backward classes of citizens or for the Scheduled casts and Scheduled Tribes.

This means that the Constitution prohibits discrimination if it perpetuates the special privileges of any class creating disabilities for the rest of the people; but the discrimination in favour of the down-trodden is allowed in order to raise them up. This provision of the Constitution is, therefore, pro-socialistic.

Article 16, stipulates that there shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office. No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of the, be ineligible for, or discriminated against, in respect of any employment or office under the State. The State can make reservations in favour of backward classes of citizens with regard to appointment to public services. This shows that our Constitution does not visualise that mirage of 'wishful' equality which is a thriving grounds for capitalistic individualism. Equality contemplated by our Constitution is socialistic and not individualistic, since it means bringing up all to a certain minimum level of socio-economic status, where they can at least afford to have the consciousness and the willingness to claim their equal status. In the open competition, the backward classes stand very poor chances, and since their backwardness is widely agreed to have been artificial, our Constitution seeks to redeem them. This is in keeping with the socialistic ideals.

According to Article 23, traffic in human beings and 'began' and other similar forms of 'forced labour' are prohibited, and any contravention of this provision is an offence punishable in accordance with law. However, this does not prevent the State from imposing compulsory service for public purposes, though in imposing such services on citizens, the State cannot discriminate among them on the grounds only of religion, race, class or any of them.

Article 24 provides that no child below the age of 14 years shall be employed to work in any factory or mine or engaged on any other hazardous employment. This Right Against Exploitation is socialistic right in so far as its terminology is concerned; but its provisions are too meagre and scanty to fully satisfy the requirements of a socialistic pattern of society. The Constitution provides against three forms of exploitation : (i) traffic in human beings, (ii) 'Begari' and other forms of compulsory labour and (iii) employment of children. Socialism is not so much concerned with feudal exploitation. It is true that India's economy being backward was more feudal than capitalist when the Constitution was being framed. Yet India's needs and aspirations for industrialisation were not unknown. Hence the Constitution should have provided against the probable exploitation of labour under factory system. Slavery and involuntary servitude are prohibited in all civilized countries on account of humanitarian considerations. Unless a Constitution provides specifically against exploitation of labour of labour in the ordinary course of business and industry, it cannot be said to have been influenced by socialism. What Articles

23 and 24 provides against are the extreme and glaring forms of exploitation, which were condemned much earlier than socialism came to be preached.

Various freedoms guaranteed by Article 19 constitute the democratic aspect of our Constitution.<sup>1</sup> At the same time, they do not militate against our socialist goal, for all are equally entitled to enjoy these freedoms. Rights to assemble peacefully and to form association and union are essential for socialism. Workers can form associations to save themselves from exploitation.<sup>2</sup>

The study of the provisions of the Constitution regarding property rights of the individual is the most important from the point of view of socialism. A socialist is interested how far the Constitution makes the individual property available for social purposes, if it does not completely deprive the individual of it.

Prima facie, it appears that the Constitution stands

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1. The various freedoms under Article 19 are :  
(a) Freedom of speech and expression; (b) Freedom to assemble peacefully and without arms; (c) To form Associations or Unions; (d) To move freely throughout the territory of India; (e) To reside and settle in any part of the territory of India; (f) To acquire, hold and dispose of property; (g) To practice any profession or to carry on any occupation, trade or business.
  2. Pyle, M.Y., Constitutional Government in India, (Asia Publishing House : Bombay, 1960), P. 222. The right guaranteed to form Associations or Unions is more or less charter of all working people in this country. The importance of this can be realised if we bear in mind that workers in other countries had to struggle hard to secure the rights.

for sanctity and inviolability of the rights of property. This was deplored by many in the Constituent Assembly. The Articles regarding right to property could get a shape with difficulty, because the Constituent Assembly was confronted with the task of reconciling the competing claims of the right of the individual to property and due of the State to acquire private property for public purpose or general welfare.

We have seen that under Article 19, the Constitution provides for the right to acquire, hold and dispose of property and for the right to practice any profession or to carry on any occupation, trade or business. In the same Article restrictions have been imposed on these rights in the interest of general welfare and backward sections of our society. These provisions were not deemed adequate. The Constituent Assembly realised that besides social and economic reforms, the State must play a positive role in the rapid industrialisation of the nation, which was essential in the context of its extreme backwardness. This would naturally tamper with the rights of the individual to own property. Hence it was decided to devote separate section to deal with property rights and to provide for the circumstances in which they could be abridged.

Thus, the framers of the Constitution never considered the absolute inviolability of individual property either as desirable or practicable. No doubt, therefore, 'the right to property' in the Constitution provides more for the acquisition of property by the State than for its preservation to the individual. Though it is enacted in clause (1) of Article 31, that

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'no person shall be deprived of his property save by authority of law, but read with subsequent clauses in the same article, it actually means that the State can, by authority of law, deprive a person of his property. It is significant to note that while Article 31 is given the title of "Right to Property", the marginal note to this Article, and to Clause (1) in particular reads "compulsory acquisition of property."<sup>1</sup> It is, therefore, wrong to say that the Constitution sanctifies property. Since the Constitution is wedded to democracy, it only forbids arbitrary confiscation or expropriation. It provides for democratic procedure of putting the individual property at the disposal of the society.

Again, the Constitution does not provide that the State shall acquire all individual property en-masse. It only permits the State to acquire any property, if it is necessary in the interest of the society. This dissatisfied ardent socialists in the Assembly. They pleaded for complete socialisation means of production within a reasonable period of time and without compensation.<sup>2</sup>

The Constitution provides that the State cannot acquire any property unless there is a law authorising such acquisition. It also stipulates<sup>3</sup> that the law for compulsory acquisition must

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1. The text of the Constitution of India.

2. Yudhishtira Mishra, Constituent Assembly Debates, November 6, 1948, P. 282, and also see, Mahavir Tyagi, Constituent Assembly Debates, November 9, 1948, P. 361.

3. Article 31 (2), the Constitution of India.

provide for compensation for the property to be acquired or taken possession of. It must also either fix the amount of compensation, or specify the principles on which, and the manner in which, the compensation is to be determined. Clause (3) requires that if an acquisition law is passed by any State legislature, it must be reserved for the consideration of the President, and must receive his consent.

Although, the Constitution provides for compensation for acquired property, it is silent over question whether compensation should be just, adequate or reasonable. This omission is deliberate and its intention is to bar out the interference of Courts.<sup>1</sup> The question of compensation posed a complicated problem to the Constituent Assembly. Some members wanted socialisation of individual property to be brought about without any compensation, while other pleaded for full compensation at the market value of the property acquired.

A more moderate, yet progressive, attitude was expressed by the late Prime Minister, Nehru. He ruled out the idea of expropriation. Justifying the proposition of fair and equitable compensation, he argued that the principle of equality applied not only to individual can over-ride ultimately the rights of the community at large. No community shall injure and invade the right of the individual unless it is for the most urgent and important reasons. It was intended that judiciary should not challenge the acquisition laws on the plea of just compensation. Judiciary comes into the

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1. Constituent Assembly Debates, Vol. IX.

picture only when it thought there has been a fraud on the Constitution. He categorically declared that India was pledged to the abolition of Zamindari and, therefore, right to property would not be allowed to come in the way of land reforms.

The Nehru's speech was followed by a battle of varying views expressed by numerous members. Ultimately, the moderate view on compensation was adopted by the Constitution-makers so that the Constitution provides for reasonable and not just compensation, because the latter would mean market rate of the land or property, along with compensation for acquiring the property. This would perpetuate the concentration of economic power and would come in the way of large scale social and economic developments and reforms. In a society pledged to socialistic pattern, the purpose of compensation should be to sustain the ex-owners of property, so that while their power of exploitation is destroyed they may not be destroyed. Compensation should not be a price, nor should it be a premium on the past exploitation. Hence compensation may be different in different cases. That would depend on the circumstances under which the property was accumulated and profits made therefrom and the existing circumstances of its owner.<sup>1</sup>

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1. If an owner of a big textile mill has acquired the property by questionable means, has extracted superfluous profits, has directed these profits in accumulating many other properties and now himself rolling in luxuries declares financial inability to run the mill and by a 'lock-up' throws thousands of labour out of employment and livelihood; he needs to be paid only a nominal compensation. If on the other hand an enterpriser starts an industry, and by dint of industry and fair means, brings out a quality products, has not made undue profits, has no extra property and if at any time Government thinks it necessary to acquire it in the national interest, compensation
- (contd)

Compensation would, of necessity, be therefore, arbitrary.<sup>1</sup>

Compensation is, therefore, not justifiable in the Courts of law. The Courts can interfere only in those cases where the acquisition law either provides no compensation at all or commits a fraud on the Constitution by providing unreal or illusory compensation. Even the limited interference by the Courts has been barred in certain cases marked out under Clause 4, 5 and 6 of Article 31. According to Clause 4,

" if any bill pending at the time of commencement of this Constitution in the legislation of a State has, after it has been passed by such legislatures, be reserved for the consideration of the President, and has received his assent, then notwithstanding anything in this Constitution, the law so assented shall not be called in question in any Court on the ground that it contravenes the provisions of Clause (2)<sup>2</sup>"

If the Acts could not be challenged by reason of their violating Articles 31 (2), they could be attacked under any other

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should be fixed for him at a higher rate than one allowed in the previous case. Purpose of the compensation in this case would be rehabilitate the ex-owner of property.

1. . Louck, W.N., Comparative Economic Systems, (Harper and Bros. New York, 1957, 5th ex.), P. 209.
2. Radha Krishnan, S., Education, Politics and War, (International Book Service: Poona, 1944), P. 97.



**Fundamental Right :** and in fact the Act which occupies the first place in the list of laws certified by the President under Clause 6 of Article 31, namely the Bihar State Management of Estates Act, 1949, was declared ultra vires by the Patna High Court under Article 14 which provides for "equal protection of law". The framers of the Constitution, many of whom were the members of the then Union and State Cabinets, found to their mortification, that their pet laws were again attacked by the Judiciary. The Constitution (First Amendment) Act, 1951 was, therefore, brought about within one year of commencement of the Constitution; and Article 31-A and 31-B were added to Article 31.

In 1954, the Government took over the management of textile mill at Sholapur in order to run it more efficiently in the interests of public in general, and labour in particular. This Act was challenged in the Supreme Court which declared it unconstitutional, since no compensation had been paid. According to Fourth Amendment Act was passed in 1955. The Amendment provided that compensation to be paid in case of compulsory acquisition of property; might be fixed either by amount or through specific principles on which and the manner in which it would be given. No law acquiring property compulsorily for the State would be questioned in any Court on the ground of inadequacy of compensation.

Secondly, it was laid down that where a law did not transfer the ownership of possession of a property to the State, but merely the right of management, as in the case of Sholapur mill, it would not be deemed to provide for compulsory acquisition, and hence, the question of compensation would not arise.

31-A and 31-B added by the Constitution (First Amendment) Act, 1950, was extended to legislation providing for : (a) Acquisition by the State of any estate or of any rights therein or the extinguishment of any such rights, or (b) The taking over of the management of any property by the State for a limited period in the public interest or in order to secure the proper management of property; (c) Amalgamation of two or more Corporations either in the public interest or in order to secure the proper management of any of the Corporations : (d) The extinguishment of any rights of managing agents, secretaries... or managers of Corporations or of any voting rights of shareholders thereof : (e) The extinguishment or modification or premature termination or cancellation of any rights accruing by virtue of any agreement, lease or licence for the purpose of searching for a winning any mineral or mineral oil.

Finally, the Fourth Amendment adds six more laws to the ninth schedule, thereby ensuring their validity absolutely even though there might be a decree or a judgment of a court to the contrary. This amendment of the Constitution is intended to smoothen the way for the advent of a socialistic economy. Thus, the Fundamental Rights, which appear to be capitalistic because of the inclusion of right to property, afford ample scope for socialism. They provide for the democratic socialism implying restricted individualism or socialised individualism.

A significant development was the nationalisation of the Imperial Bank of India, the largest commercial bank in the country. Though this bank was already in a special relationship

with the Government as it acted in close cooperation with the Reserve Bank of India on the one side and Government Treasuries on the other, its nationalisation was of special importance as a clear indication of the changed emphasise of the Government. The intention of the nationalisation measures was made clear -- that this bank with its nation-wide network of branches should be used for the development of agriculture and small industries and not merely to provide credit facilities to large private industrial and trading interests.

Another important, and in some ways even more significant, measure in this field was the nationalisation of Life Insurance Companies. While Government had attempted through various legislative measures to control the working of Life Insurance Companies in the past, it was found that many companies misbehaved, defrauded the policy holders and had become sick. This however was not the only reason for the nationalisation of Life Insurance Companies. The Government also thought it necessary that this important sector should be nationalised so as to ensure that the benefits of life insurance were spread to an increasingly large segment of the population. Moreover, this would ensure that an important part of the regular savings of the community would directly come under control of the public sector to be channelised in such directions as were considered socially desirable. The life insurance funds being invested in a large number of equity shares of private companies, the Life Insurance Corporation, (which came into existence as a result of the nationalisation of private Life Insurance Companies) was in a

position to influence the operation of many private sector companies. As a matter of fact, this project alarmed the owners of private sector industries to such an extent that then Finance Minister had to give an assurance on behalf of the Government of India that the holding by the Life Insurance Corporation of equity shares in various companies would not be used as a measure or instrument of what was called "backdoor nationalisation".

After this major thrust in the late fifties and early sixties, the country was in a period of political flux and confusion and there was little clarity about economic policy. The process of development planning, though formally continued, became increasingly less effective. Particular business groups had been growing larger as a result of the various measures taken by Government to support industrial growth and this tendency acquired further strength in this period. While the public sector units which had already been set up were consolidated and grew further, no special initiative was taken except in a few areas like atomic energy and petroleum for new beginnings. The price policy of public sector enterprises was also so organised as to make their products serve the profit interests of the private sector. There was also considerable lack of clarity about the manner in which public sector enterprises should be organised, the autonomy that they should enjoy, the policy which they should follow regarding labour and the contribution which they make to the process of the further accumulation and growth. There were however a few positive developments which acquired importance after a period of time. One

was the growth of State trading, initially organised for the purpose of carrying on trade with countries which had systems of State monopoly trading, which virtually came to be used as an instrument of controlled export and import trade. Special instructions came to be developed starting with the State Trading Corporation.

Institutions for finance and long term capital requirements of private sector industries had come to be developed from early stages through the establishment of the Industrial Finance Corporation of India in 1948, and the State Industrial Finance Corporation in 1951; a joint sector institution for the same purpose was established through the industrial Credit and Investment Corporation of India which was sponsored by the World Bank, and other institutions in the public sector was established by the Government was the Unit Trust of India mainly to encourage the use of household savings for the purpose of investment in the equity shares of private sector companies. All these institutions played a major role in financing the requirements of long term capital of private sector industries.

All this leads to the fact that the growth of Trade Unions and the trade unionism in India particularly in the industrialised regions of India set the pace for political activities. Trade-unions came to be associated with better political organisation, leftism, socialism, communism and political consciousness. Demand for better economic deals and better wages and working conditions and increasing concessions became the order of the day.

Though there were ever growing rivalries between trade unions and which vitiated their efforts to reach a common goal and extort better living conditions, it was a march towards the better.

## CHAPTER VII

### Trade Union Movement

#### under the Janata Government.

The long period of the Congress rule came to an end for a short period in early 1977, after three decades of Congress rule. It was due to discontent among the masses. They did not approve some policies of the Congress Party and hence this debacle. On January 18, 1977 proved to be a fateful day for the deep rooted Congress regime. Mrs. Indira Gandhi, while miscalculating her popularity took the fatal decision of advising the President to dissolve the Fifth Lok Sabha and order for fresh elections. Originally the Lok Sabha could have functioned upto March, 1978 by virtue of one-year's extension granted by the bill passed earlier in Parliament and further extension of the term of Lok Sabha from five years to six years. Sustained efforts of late Jaya Prakash Narayan bore fruit on January 20, 1977, when four major national opposition parties -- the Jana Sangh, the Congress Party (O), the Socialist Party and the Bhartiya Lok Dal merged to form one united Janata Party and declared to contest elections as one Party, under common banner. After focusing our attention on the Janata Party we propose in this Chapter to study the repercussions of this United Front on the Trade Union Movement and also the impact of Trade Union movement on Indian politics.

Labour Unrest :- When the Janata Party came to power, the unrest in all sections had been reaching its climax. In spite of this fact, in Jaipur, on April 23, 1977, the Union Labour Minister declared that there was nothing extraordinary un-natural or alarming about the labour unrest in the country. Addressing the three-day Convention of Bharatiya Mazdoor Sangh, he said that there was legitimate basis for the unrest since the Government had failed to provide to the workers the basic minimum guarantee of job, need-based, minimum wage, due share in profits, promotion and improvement in working and living conditions respectively and a share in the management of industry. He claimed that there were lesser strikes than in the pre-emergency days.<sup>1</sup> Referring to the demand made by the BMS that a round-table conference of trade unions should be convened to discuss labour issues. The Union Labour Minister further said that he agreed with the demand. The Janata Government would examine the issues and would formulate a policy on the basis of the views expressed at the conference. Further he added that the Government had tried to restore the rights of the workers, which had been, according to him, denied to them during Mrs. Gandhi's regime.<sup>2</sup>

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1. The Emergency was proclaimed by the President of India on the advice of Prime Minister, Mrs. Indira Gandhi in the entire country in 1975 under which all fundamental rights were declared inoperative. The plea was given that India was passing through internal insurgency which would lead the country towards disaster.

2. Hindustan Times, April 24, 1977.



It had become absolutely clear that the Centre of Indian Trade Union (CITU) was the strongest central trade union and the other trade unions in most industries in Jaipur and Kota were under its control. The leftist CITU leadership was quite experienced to retain its hold, the leadership had created confusion in the trade union field and outmanoeuvred the HMS. For instance, the lock-out in Shri Ram Rayons Mill at Kota, was the result of the militancy shown by the workers at the instigation of the CITU workers of other neighbouring industries. Kota, Jaipur, Alwar, Bharatpur, Bundi, Bhilwara and Udaipur districts in Rajasthan have had the bulk of existing industries. More than eight per cent of the small industries were facing crisis. Never in the past had such a situation arisen.

Another development had taken place in Ghaziabad (in Uttar Pradesh) when the labour leaders were preparing for a fresh trial of strength on September 12, 1977. Renewed offensive was being mounted by the CITU, which in the past few months had suddenly eclipsed the INTUC and others to take exclusive control of over sixty per cent of the units in this belt. The leaflets distributed by CITU, demanded a judicial inquiry into the Harig India (an Engineering Company) flare up. A CITU organiser declared the token strike was only the beginning. If the demands were not conceded in the next few days, the token strike would assume the shape of an indefinite strike. According to CITU leader, the Engineering Wage Board recommendations came up for implementation in 1970. But for some reason or the other the

chief recommendation of variable dearness allowance was not made obligatory by the Uttar Pradesh Government. Another major irritant for labour was the practice of many managements to revive the abolished contract system indirectly and to ensure that the temporary hands were not confirmed. The Ghaziabad belt, according to him, employees nearly one lakh people, directly and indirectly. But if any person will examine the rolls, he would conclude the labour force was just 30,000 or less. The management has been trying to circumvent provisions of the Factories Act and to minimise their commitments over bonus and like.<sup>1</sup>

Rivalry among trade unions :- Inter-union rivalries, the absence of identity of view among the constituents of the Janata Party in formulating comprehensive and practical industrial and labour policies have, among other factors, created unsettled conditions. The Government officers were not taking any initiative in resolving the crisis.<sup>2</sup> The Labour Minister of Andhra Pradesh in an interview claimed that Andhra Pradesh was one of the State in the country where the labour situation was at its best. He put forward two main reasons for the labour unrest and he had tried

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1.. Hindustan Times. September 11, 1977.

2. Ibid., July 26, 1977.

to tackle with them. He claimed success in the experiment expect for factors beyond the State Government's control. The two basic reasons were the demand for wage-increase and inter-union rivalry.<sup>1</sup>

However, trade union rivalry played havoc with industrial peace in Faridabad (in Haryana). For long years the Congress oriented INTUC dominated the scene there. In recent years, however, its hold was gradually slackening and the CPI-oriented AITUC was able to make its presence felt. Since 1977 the CPI (M) oriented CITU and the Janata Party-oriented formerly close to the Jana Sangh BMS also entered the field and tried to fill up the vacuum created by the easing out of INTUC. In this competition the CITU was able to make an early headway the industrialists pointed out that in recent years some new faces had appeared on the trade union front under the banner of CITU. It appeared that the BMS was also trying hard to establish its headquarter in Faridabad. However, due to its previous shortcomings it could not build up sound organisation and leadership of BMS at the grass-roots. It was made-up by patronage of some members of the State leadership.<sup>2</sup> Apparently the labour situation in Faridabad and Ballabhgarh (Haryana) had taken serious turn following armed clashes between rival groups of two militant trade unions resulting in multiple injuries to at least 11 persons. 19 union activists belonging to the BMS and the CITU were arrested. According to a spokesman of the Congress-supported INTUC that the predominate-workers of

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1. Ibid., August 10, 1977.

2. Ibid., February 25, 1978.

the unit the management declared an unofficial lock-out thus preventing workers from entering the factory. The management accused the INTUC leadership of deliberately sabotaging work to seek reinstatement of the suspended workers. About 500 workers of another factory were adopting go-slow tactics on account of inter-union rivalry.<sup>1</sup> Thus the trade union movement was a house divided against itself and hence ineffective.

In Rajasthan, the tussle between the BMS and CITU to gain preponderance in the labour field as growing in intensity and mutual accusations of resorting to violence and using unfair means to oust and humble the rivals. The B.M.S, which did not deny its close links with the erstwhile Jana Sangh and the RSS,<sup>2</sup> complained of official support and patronage to the CITU. It said that if the CITU has not been receiving the support of ministers it could not become so bold as to resort to murders and other modes and methods of intimidation. The CITU alleged the BMS was getting the help of employers -- even financial -- to make inroads into the labour field and elbow out the "progressive elements",

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1. Times of India, April 23, 1978.

2. The leaders of the BMS said,

"We cannot be brought. We have been trained in a school (RSS) which has taught us not to compromise with falsehood and evils. No one can purchase us."  
Times of India, May 7, 1978.

It pointed out that at its annual conference held in April - May 1978, the BMS had clearly said that it did not believe in class struggle, but in class integration<sup>1</sup>. The fight of BMS was not against capitalists but against leftists.<sup>2</sup> As the rejoinder to this, the BMS leadership said that the CITU uses strike as its first weapon and uses it to serve the interests of the capitalists. It called for strike by workers when the employers wanted to close their factories for a period to cut down over production. The CITU leaders get a share of the increased profits resulting from this kind of controlled production.<sup>3</sup>

On another occasion an explosive situation had gradually developed in Faridabad industrial belt as a result of trade union rivalries. The Congress-oriented INTUC and the CPI(M)-oriented CITU were openly engaged in a confrontation to decide as to who will have sway over more than a lakh workers employed in it. The CITU had adopted a militant attitude to recapture the labour unions in each individual units, though its leaders claimed that they had not decided to give up the peaceful way of agitating to get the workers demands fulfilled. The recognised trade union of the unit was largely apolitical till 1976, when it got affiliated to the Congress-oriented INTUC.<sup>4</sup> It was reported that the

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1. This approach is in accordance with the principles of Mahatma Gandhi in which he said that there must be cooperation between rich and poor masses. See, Jawaid, S., Growth of Socialism in India, (Associated Publishing House: New Delhi, 1980).

2. Times of India, May 7, 1978.

3. Ibid., May 7, 1978.

4. Hindustan Times, June 22, 1978.

INTUC and AITUC leadership and workers had come in open confrontation with the BMS at a number of places in Rajasthan and Yaryana. There had been many cases of violence. The general complaint concerned police inaction and indifference on the part of the official labour machinery. Industrialists feared that in case the Government failed to formulate a realistic policy immediately and give proper directions to the trade union leadership, all plans to attract new entrepreneurs and exploit the State's rich minerals wealth would founder. Confrontation with the trade union workers would give a further setback to industries and production.<sup>1</sup>

Workers' Strikes :- It was reported on April 24, 1977, that the labour situation became explosive in the entire industrial complex in Faridabad, following the armed clash between the rival factions of Autopins employees owing allegiance to the BMS<sup>2</sup> and the CITU<sup>3</sup>. According to the Labour Officer, the infighting in the Janata Party has also made it difficult for politicians to rush to Faridabad to intervene, as they used to do in the past. Another Labour Officer said the situation had been complicated by some industrialists who patronised particular trade unions even though they did

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1. Hindustan Times, July 26, 1977.

2. The Bharatiya Mazdoor Sangh is affiliated with the Janata Party who considerably has Jana Sangh and RSS elements in its rank and files.

3. The Centre of Indian Trade Union is affiliated with the Communist Party of India (Marxist) who has militant elements and their sympathies are with the Chinese Communism.

not enjoy the support of a majority of workers. The bid to determine through the secret ballot the numerical following of various trade unions in each factory has been abandoned, at least for the time being. Apparently most of the management were no longer enthusiastic about it. So far, such secret ballots have been held only in two factories. Industrialists were not in a mood to oblige either labour leader or labour officer by reinstating workers retrenched on grounds of indiscipline or wilful absence from duty.<sup>1</sup>

In Uttar Pradesh, in September 1977, an engineering goods factory (Harig India) in Ghaziabad was burnt down and two of the armed men guarding it were killed following a clash between the factory security guards and the workers in which the security guards resorted to firing. The police also opened fire to maintain law and order. Roy, President of the Workers' Association, said the Association, affiliated to the CITU, had made certain demands for the management which included bonus, dearness allowance and other facilities. He said the management had wanted that the association should sever its link with the CITU. According to him there was no tool - down strike on August 18, 1977. But the strike was started when the management issued a notice that because of the strike the wage cut would be effected. However, the management had been told that the workers would not accept their reduced salaries.<sup>2</sup>

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1. Hindustan Times, April 24, 1977.

2. Ibid., September 8, 1977.

The General Secretary of the CITU which then controlled more than 60 per cent of the unions of the area, held a meeting of the activists. He told that he had expected the strike which already had been called would be total and peaceful. The strike was mainly intended to force the Government to order a judicial inquiry into the 'Harig India' flare-up of which he claimed, would expose the "large scale practices of management hiring 'goondas' to intimidate and exploit their workers." A local CITU organiser asserted that they would not try to stop those workers, who wanted to work, from entering their respective factories. But, he was confident most of the workers themselves would not come out of their houses.<sup>1</sup>

According to official figures, the period between April and June 1977, witnessed 53 hartals affecting 11,857 workers only in Rajasthan. It all began with a one-day general strikes in Jaipur on April 1, 1977. There had been 8 lock-outs affecting 5,753 workers only in Jaipur. In Kota, Alwar, Bharatpur and Jaipur districts most of the small scale industries remained closed for nearly 2 months, the reason being mostly inter-union rivalries and the demand for bonus. Eight big industries were also affected.<sup>2</sup>

In Goa, 24 strikes were reported besides the 'go-slow' in the Central Government undertaking. The establishment affected by the direct action were a chain of undustrial units. In it

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1. Hindustan Times, August 9, 1977 and also see, Hindustan Times, September 12, 1977.

2. Hindustan Times, July 26, 1977.



about 4,000 workers were involved in the agitation.<sup>1</sup> Normally, strikes in Goa were peaceful. Only violence was witnessed mostly in strikes involving workers controlled by the Marxist and where inter-union rivalry existed. Sporadic instances of assaults on supervisory staff was occurred in some establishments. But, by and large the workers had spared Government officials.

In Kerala, according to official figures, 7 major and 235 small-scale industries units including 2 public sector industries were lying closed till August 11, 1977. Consequently, 5,331 workers were out of employment. It was officially stated that the State Government was trying to get these units re-opened through conciliation and other means including financial difficulties. Some sources said that when compared to last two years the labour trouble remained on the increase.<sup>2</sup>

The one-day token strike called by the leftist trade unions of Delhi, Haryana, and western Uttar Pradesh to protest against 'repression of the working class' evoked mixed response. The strike was peaceful except for a clash between supporters of two trade unions at Delhi. It was called by the AITUC, CITU, and UTUC to protest against the alleged repression of workers and to press their demands for bonus and minimum wage for all. The memorandum proclaimed that the Government of Janata Party did not consider curbing the concentration of wealth and incomes of the rich. Demanding scrapping of the Boothalingam Committee, the memorandum said there should be a time bound programme for need-based wages and neutralisation of the rise in the cost of living

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1. Hindustan Times, August 8, 1977.

2. Abid., May 13, 1978.

and equal pay for equal work.<sup>1</sup>

It was proclaimed by the former Prime Minister, Morarji Desai in a Press Conference that the work stoppage would end soon.<sup>2</sup> His Cabinet Minister, George Fernandes, while addressing a Press Conference at London on his way back from Dublin where he attended a session of the International Transport Workers' Federation, also estimated that the labour unrest had not erupted in a big way in India after the formation of the Janata Government.<sup>3</sup>

But in the very same day's paper the Samachar released about labour unrest in India gave an alarming picture.<sup>4</sup> This is what it said :

" A spurt in labour unrest following the restoration of trade union rights has led to a loss of at least 4.2 million man-days in the past four months.

The Janata Government, however, succeeded in averting a major strike when it reached an agreement earlier this month with the Port and Dock Workers' Federation representing over 2 lakh workers.

A nationwide Samachar survey shows that strike and lock-outs during the period

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1. Hindustan Times, May 13, 1978.

2. Socialist India, July 30, 1977.

3. Ibid.

4. Samachar, July 24, 1977

cost the nation over Rs.7.5 crores in lost production in five states alone. In the middle of the month 210 industrial establishments remained earlier closed or strike bound. The largest number of strikes and lock-outs were in Maharashtra (64) with West Bengal (61) coming next.

Demands for bonus, wage revision, better service conditions and inter-union rivalry were the main cause for the labour unrest.

According to official figure, man-days lost due to strikes and lock-outs during 1975 were 11.48 million. There was also a sharp rise in the number of man-days lost on account of lock-outs. During January - December 1976, lock-outs accounted for 79 per cent of the total man-days lost as compared to 17 per cent in 1974 and 24 per cent in 1975.

Labour leaders feel that workers should be given a better deal with a hike in their salaries and effective participation in the management. They also warn that if the issue of bonus was not settled by the festival time in autumn labour unrest could be widespread.<sup>1</sup>

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1. Hindustan Times, May 13, 1978.

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3. Ibid.

4. Samachar, July 24, 1977.

It is generally believed that discontentment among industrial workers was on the increase during the Janata Party regime and that organised labour has been causing a great loss to industrial production by frequent resort to strikes. In the following table is found data about the number of industrial disputes, the number of workers involved in the disputes, the number of man-days involved etc.<sup>1</sup>

**Workers involved and Man-days lost in Strikes and Lock-outs in India.**

Year	No. of disputes		No. of workers involved		No. of man-days lost (in lakhs)		Average No. of days a worker was involved in	
	St.*	L.O.**	St.*	L.O.**	St.*	L.O.**	St.*	L.O.**
				(in 000's)			10=7/4	11=8/5
1970	2598	291	1551	276	147.49	58.41	10	22
			(84.9)	(15.1)	(71.6)	(28.4)		
1971	2478	274	1476	139	118.03	47.43	8	34
			(91.4)	(8.6)	(71.4)	(28.6)		
1972	2357	386	1475	262	137.48	67.96	9	26
			(84.9)	(15.1)	(66.9)	(33.1)		
1973	2958	412	2358	188	138.62	67.64	6	36
			(52.6)	(7.4)	(67.2)	(32.8)		
1974	2510	428	2710	145	336.44	66.18	12	46
			(94.9)	(5.1)	(83.3)	(16.7)		
1975	1644	299	1033	111	167.06	51.95	16	47
			(90.3)	(9.7)	(76.3)	(23.7)		
1976	1241	218	550	186	27.99	99.47	5	53
			(74.7)	(25.3)	(22.0)	(78.0)		
1977	2691	426	1912	281	134.10	119.10	7	42
			(87.2)	(12.8)	(53.0)	(47.0)		
1978	2388	340	1277	194	109.90	105.90	9	54
			(86.8)	(13.2)	(51.6)	(48.9)		

\* Strikes

\*\* Lock-outs

Figures in brackets are % of total. This table is compiled from Handbook of Labour Statistics, 1979; Industrial Relations -- Today & Tomorrow -- a background reader, Feb 1979, 1978. Indian Institute of Management, Calcutta.

1. Mainstream, Vol. XVIII, No.18, Dec. 29, 1979, P.11.

A close perusal of the table shows that during recent years, the share of lock-outs in total man-days lost has been on the increase. Both periods, the Congress Government and the Janata Government are given above to make a comparative study.

Causes of unrest :- There were quite enough causes of unrest among workers, but the most important causes were as follows :

The workers expect the Janata Party to honour its election manifesto of 1977, which accepted the principle by ruling party as deferred wage and not as a share in profits.<sup>1</sup> The 1975 amendment in the Bonus Act that no bonus would be payable in case of losses is responsible to a great extent for industrial unrest.<sup>2</sup> Another issue causing discontent among workers, especially at Ghaziabad, was non-payment of Dearness Allowance linked engineering industry in accordance with the recommendations of the Central Wage Board. The State Government Uttar Pradesh w has so far enforced basic wage and fixed Dearness Allowance with adhoc increases. The State Government has called another tripartite conference on August 8, 1977 to resolve the issue. Another irritant was non-payment wages regularly by some sugar and textile mills. In certain cases, wages, have been in arrears for the last several months. The power cut has been another cause of labour unrest as it reduces the earning of the workmen on the one hand and aggravates the financial difficulties of the employers on the other.

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1. Hindustan Times, August 6, 1977.

2. Ibid.

It was felt in official circles that the question of a minimum wage for industrial workers should be considered as soon as possible. There should be a periodic wage revision in major industries. About 20,000 Government employees threatened to start an agitation if the Government went ahead with its decision to implement the recommendations of the Staff Inspection Unit, which had rendered certain posts surplus 7 years ago.<sup>1</sup>

In Goa, the main cause of strikes was the bonus issue, though allied matters were also lagged on it. The workers contented was that they should be paid more bonus than the 4 per cent fixed through the Bonus Act amendment during the Emergency period of 1975-77. The main cause for the labour trouble in Goa was the communication gap between management and employees. According to a former Labour Minister by and large the management was 'a very personalised and feudal type'.<sup>2</sup> Inter-union rivalries and personality cult among trade union leaders contributed to labour unrest. He said that it was the failure of the professional management and professional trade unionists to adopt an attitude of accommodation.

In Tamil Nadu, the eruption of union rivalry follows CITU's determined bid to capture the INTUC unions. The fight has already led to lock-outs in major units affecting nearly 5,000 workers only in Madras city.<sup>3</sup> The lock-outs were a sequel

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1. Hindustan Times, August 8, 1977.

2. Ibid.

3. Hindustan Times, August 9, 1977

to inter-union rivalry. The CITU which has steadily been eroding the base of INTUC attempted to install one of its leaders as the President of the union. The CITU made considerable inroads into the Transport workers' Union. The INTUC leaders accused its rival of unleashing a reign of 'Political adventurism based on lofty promises and extremist methods.' They alleged that the CITU was trying to create another West Bengal in Tamil Nadu. If this trend were not curbed immediately, industrial peace in the State will totally disrupted and the whole situation may get out of control.<sup>1</sup>

The Janata Government had failed to provide efficient machinery to solve labour problems. In fact the Government has not been able to win the confidence of the working class in the judiciary, according to some labour leaders. When conciliation proceedings fail at the Labour Commissioner's level, the matter referred to the Industrial Tribunal. But the presiding officer of the Tribunal, stationed in Bombay, made monthly visits to Goa to dispose the cases. This arrangement has not solved the problem. Both the management and labourers feel frustrated because the cases linger on for years. There were at least 150 cases pending with the tribunal, according to labour consultants.

Similarly the Government of Goa failed to play a positive role in ending strikes. It has no labour policy at all. On occasions the Labour Minister and the Labour Secretary intervene to end

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1. Ibid.



the dead locks. But such interventions amount to putting pressure on one of the parties, which shows the seeds for the next struggle.<sup>1</sup> However, to his last efforts, the Labour Minister of Goa, has taken lead to rectify this omission. He convened a joint meeting of the managements trade union leaders and Government officials concerned with labour problems. This was the opportunity given to the management and labour representatives to engage themselves in free and frank discussions. The results were rewarding to some extent. It was agreed that the representatives of management and labour should sit across the table to thrash out the problems. This was because undue delays are caused once the matters went to the Labour Commissioner or the Industrial Tribunal.

Influence of Political Parties :- The Socialists and Jana Sangh components of the Janata Party seemed to be working at cross purposes, the former trying to boost the Hind Mazdoor Sabha and the latter the Bharatiya Mazdoor Sangh. The INTUC and AITUC leaderships were demoralised because of the debacle of the Congress Party and the CPI in the Lok Sabha and Assembly elections in 1977 and the formation of the Janata Government at the Centre and in the States.<sup>2</sup> In Jhama Kotra, Rajasthan, there was violent clash between the INTUC and minority BMS workers. The CITU and INTUC leaderships charge that the BMS workers had the backing of the State Government and that is why the police did not intervene. A leader of the CITU told the Chief Minister and the Labour Minister in the

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1. Hindustan Times, August 8, 1977.

2. Hindustan Time, July 26, 1977.

presence of industrialists and trade union leaders that any attempt by the Janata Government, management and official machinery to play up and support the BMS or other unions would not be tolerated.<sup>1</sup>

Trade union rivalry also played havoc with industrial peace in Faridabad. For long years the Congress Party - oriented INTUC dominated the scene there. In recent years, its hold was gradually slackening and the CPI-oriented AITUC was able to make its presence felt. Since last year the CPI (M)-oriented CITU and the Janata Party-oriented BMS, entered the field and trying to fill the vacuum created by the easing out of INTUC. The CITU was able to make an early headway. Industrialists pointed out that in recent years some new faces was appeared on the trade union front under the banner of CITU. It appeared that the BMS was trying hard to establish its hegemony in Faridabad. Its previous shortcoming in not having a sound organisation and leadership at the grass-roots, was being made-up by patronage of some members of the State leadership. The CITU openly alleged that the State Home Minister of Haryana who belonged to the Janata Party was interested in forcing the BMS. It was also pointed out that the State - level conference of the BMS held in Faridabad in January, 1978 was attended by the State Labour Minister of the Janata Party.<sup>2</sup> It is difficult to predict which of the two, the CPI (M)-oriented CITU and the Janata Party-oriented BMS, will be

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1. Hindustan Times, July 26, 1977.

2. Hindustan Times, February 25, 1978.

able to establish its control over Faridabad workers ultimately. These elections of 1980 will be answer of this competition.

Another reliable source says that the labour situation in and around Faridabad continued to deteriorate and was getting more and more complicated with every passing day. Due to the influence of the Janata Party and other parties, the labour department became unable to tackle the problems effectively. Over 100 employers were understood to have strengthened security arrangements. They recruited experienced hands to protect property and management personnel. A number of workers were suspended or retrenched. During January - February, 1978, not less than 300 workers, including trade union activists, had been suspended or removed from service without following the procedure laid down under various labour laws. The labour officers were aware of such cases but had not taken any action because of political factors. According to former President of the Faridabad Industries Association, the BMS was for all practical purposes the labour front of the ruling Janata Party in Haryana. No wonder managements tried to placate BMS leaders, putting the National Labour Organisation, sponsored by the erstwhile Congress Party (O), and the HMS seemed to be in an disadvantageous position. However, a labour leader pointed out, BMS suffered from lack of a cadre unlike AITUC or INTUC. The BMS had never been more than a militant group of RSS activists employed in factories.<sup>1</sup> B.M.S. has

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1. Times of India, March 2, 1978.

failed to make inroads into what once used to be the strongholds of INTUC or AITUC at Faridabad, Ballabgarh, Bahadurgarh and Sonapat. The Janata Party did not formally launch any trade union, but it gradually became evident that the State Government was anxious to oust both INTUC and AITUC from the labour scene. This led to a war of wits among BMS and HMS to capture the labour unions. The BMS concentrated on the bigger factories. Both National Labour Organisation and HMS could not find a foothold. Meanwhile CITU stepped in, concentrating its activities on smaller factories where workers were not organised. While INTUC seemed reconciled to the changed political realities, AITUC registered infiltration into its strongholds. This explains the spate of clashes between AITUC and BMS activists in certain factories in August - September 1977.<sup>1</sup>

The President of the Rajasthan unit of CITU on April 30, 1978, alleged that the campaign had been planned and was being promoted by employers. Some leaders of BMS were playing "second fiddle" to them. He told that CITU was being accused of indulging in 'gondaism', extortion of money and distributing industrial peace. The State Government's labour department and the police were being charged with aiding and abetting CITU. All this was being done to prepare the ground for launching an attack on his organisation,<sup>2</sup> he added. Furthermore, he said the RSS-dominated BMS was playing the same role that INTUC had played

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1. Times of India, March, 1978.

2. Ibid., May 1, 1978.

during the Congress regime. It was making inroads into labour field with help to employers. The BMS unions, were being financed by factory owners, he alleged. He denied that the CITU was using "outside elements" for forcible enrolment of membership.<sup>1</sup>

The Trade union leaders of the Janata Party, who concluded their two-day meeting in Delhi, appealed to all trade union workers of the Party and five connected labour organisations to work for consolidating trade unions into one united body by putting an immediate end to all mutual rivalries. The Unity call contained in a six-page "declaration" adopted at the meeting is declared at the National Labour Organisation (NLO), Hind Mazdoor Sangh (HMS), Hind Mazdoor Panchayat (HMP), Bharatiya Mazdoor Sangh (BMS), Tamil Nadu Trade Union Congress (TNTUC) and other like-minded labour organisations. The meeting, which was addressed by Mohan Dharja and Ravindra Verma, both former Union Ministers, discussed the general economic situation, rising prices, labour unrest, and possibilities of a united trade union organisation.<sup>2</sup> They said that they were pledged to safeguarding and promoting the legitimate interests of the working class in all spheres by all democratic, constitutional and non-violent means. They accepted the principle of collective bargaining and settlement of dispute through mutual discussion, conciliation and voluntary arbitration between the workers and the employers. Furthermore,

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1. Times of India, May 1, 1978.

2. Hindustan Times, September 12, 1977.

they said that;

"while reserving the right of the workers to strike, on the foundation of Satyagrah laid down by Gandhiji, we accept that strikes can be resorted to only as the last weapon when all other avenue for the settlement of disputes have been fully exhausted."<sup>1</sup>

The meeting was of the view that the trade unions should be completely independent of the control of employers, Government and political parties. But while guarding this independence and drawing their strength purely from the working classes, the trade unions must engaged in mutual cooperation with various like-minded institutions including among others, political parties for building a genuinely egalitarian social order and pluralist democracy based on Gandhian ethos. But these objectives could be achieved when the trade union movement was independent and strong and this could be made possible only if the multiplicity of trade unions and inter-union rivalries had ended.

The Union Ministers demanded that the Government should find satisfactory and quick solutions to the various issues affecting the working class including a rational and equitable income, wage and price policy, problems of contract labour, and victimised workers, review of Government service conduct rules and provision

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1. Hindustan Times, September 12, 1977.

of an effective mechanism to settle workers' grievances.<sup>1</sup> The meeting called upon the Government to involve the working class in a dialogue on all the issues affecting public policy and evolve a system in which workers could be effective partners in the formulation and implementation of policies.

Policy of the Government :- The former Labour Minister of Uttar Pradesh who belonged to the Janata Party and a veteran trade unionist himself opposed to strikes and laid down a new policy of referring all disputes to adjudication and making its proceedings time-bound to enable early decisions. He promised decisions within a week, if the proceedings have been that they take years and have been thus of no advantage to the working class.<sup>2</sup> An important policy was declared by the Janata Government in which the Government announced its decision to restore the minimum bonus of 8.33 per cent for year of 1976 regardless whether an establishment made a profit or not.<sup>3</sup>

The Janata Union Cabinet in a statement said<sup>4</sup> that like other sections of the people, the working class suffered the rigours of the Emergency. The workers lost not only the fundamental freedom of the citizen, but also they recognised the rights that trade unions enjoyed in an enlightened democracy.

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1. Hindustan Times, September 12, 1977.

2. Hindustan Times, August 6, 1977.

3. Hindustan Times, August 19, 1977.

4. Hindustan Times, August 19, 1977.

The Government, took immediate steps to restore the rights of trade unions, to direct the reinstatement of all employees whose services had been terminated for political reasons, to undo all political victimisations by reviewing all cases where services had been terminated without the normal procedures that are followed to ensure natural justice. It was decided to discontinue the impounding of additional Dearness Allowance under the Compulsory Deposit Scheme (CDS) and make cash payments to return the instalment that was fully due. The Government took this decision in spite of its apprehensions about the inflationary effect that a sizeable inflow to have on the economy in general and prices in particular, only because it was pledged to remove the hardships of the working class.

One of the first acts of the Janata Government was to restore the minimum bonus of 8.33 per cent for the accounting year commencing on any day in the year 1976. Along with this, the banking companies and the Industrial Reconstruction Corporation of India which had been excluded from the purview of the payment of Bonus Act were brought back within its ambit. Investment allowance was included as an element of prior charge in the determination of available surplus. Provisions relating to payment of bonus in terms of a settlement or agreement on the basis of a formula different from that outlined in the Act were restored. However, some safeguards were incorporated in the Act to prevent misuse of these provisions. Another important decision taken simultaneously was that the employees of non-competitive



public sector establishments would be paid ex-gratia on the same basis as in the Bonus Act. These decisions were initially applicable only in respect of the accounting year commencing on any day in the year 1976. The Payment of Bonus Act was amended by promulgating an Ordinance on September 3, 1977. The Ordinance was later replaced by an Act. The law was again amended to maintain the status quo for the following accounting year. Several proposals for amendment of the Payment of Bonus Act in certain respects have been received. These include restoration of the original provisions of Section 34, deletion altogether of Section 34, making the 1977 amendment a permanent feature of the Act, extension of the Act to the new areas and changes in the formula for the computation of bonus.<sup>1</sup>

The demand for the restoration of minimum bonus of 8.33 per cent has been a common demand of all Central Trade Unions, and all political parties. The Government have decided to restore this policy. The Government must avail of this opportunity to reiterate its intention to formulate an integrated policy on wages, income and prices. Such an integrated national policy is necessary to ensure growth as well as social justice, to reduce disparities in income and development and to move towards an egalitarian order. All question relating to the level of wages, disparities in the level of wages in different sectors, disparities in wages paid for the same kind of work, disparities in wages and

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1. Southern Economist, Vol. 10, No.6, July 15, 1979, P. 20.

incomes in and between the urban and rural sectors, minimum wages fair wage, the rational for a deferred wage and the concept of bonus unrelated to profits for productivity will therefore, have to be viewed afresh and reviewed in the light of the integrated policy that is expected to be formulated. However, as the formulation of such an integrated policy is likely to take some more time and as it would not be fair to the workers to postpone a decision for the 1977-78, the Government decided that<sup>1</sup> :

- 1) The level of minimum bonus be fixed at 8.33 per cent of the annual wages, whether the establishment made a profit or not, during the accounting year;
- 2) A provision be incorporated in the law by which employers and workers in an establishment or in a class of establishments can enter into an agreement for payment of bonus on a formula different from the minimum and maximum limits of bonus are adhered to; this would be expected to contain safeguards;
- 3) The maximum limit of bonus would be 20 per cent;
- 4) Increasing emphasis must be placed on promoting agreements for payment of bonus related to increases in production/productivity;
- 5) Investment allowance will be included as an element of prior charge in the determination

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1. Hindustan Times, August 10, 1977.

of available surplus;

- 6) Employees of banking companies and the Industrial Reconstruction Corporation of India would be brought again within the purview of the Bonus law;
- 7) To ensure that loss-making units are not unduly burdened by the incidence of minimum bonus, resulting in their becoming sick, provisions of Section 36 of the Act for grant of exemption may have to be resorted to; guidelines for this purpose will be worked out;
- 8) Employees of non-competitive public sector establishments will be paid an ex-gratia amount on the same basis as in the Bonus Act.

The Government hopes, and trusts that the working class and trade unions will understand and appreciate the spirit in which the Government has taken these decisions and will respond in like measure and extend their fullest cooperation in restoring the health of the economy. The decisions that have been taken on the Compulsory Deposit Scheme as well as the bonus have been taken in the hope that they will benefit the workers and weaker sections of the people. But they will not benefit the workers if the injection of hundreds of crores of rupees into circulation and stagnation or recession in production result in increases in prices and erosion of the value of money. The workers have their share of

responsibility to ensure that such untoward consequences do not follow from the Government's desire to meet their demands.

The Government, therefore, makes an earnest appeal to workers and trade unions to see that a fair proportion of the cash that reaches their hands through the CDS instalment and the bonus is invested in the National Development Bonds that the Government has already decided to issue. The Government also appeals to workers and trade unions to match the Government's efforts to satisfy the demands of workers and improve the economy by helping to create an atmosphere of peace and cooperation in industrial undertakings, increasing production and productivity and paving the way for a new era of cooperation and progress.

A large number of big private firms will have to be pass under direct public control if the Government stringently implements a programme for speedy enforcement by the Central leadership of the Janata Party. Insisting on professionalised management and ending of what it describes as industrial feudalism, the programme document says :

"wherever public financial institutions have provided a large percentage of the overall capital they should be brought directly under public control."<sup>1</sup>

The public financial institutions should give up their role of being steeping partners in large private sector firms and the

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1. Times of India, April 26, 1978.

play an active part in curbing malpractices and exploitation. While it requires Government directors to ensure that industrial units are not allowed to fall sick, it does not say how this objective is to be realised. The programme seeks legislation without delay to restrict the concentration of chairmanships, managing directorships and directorships in a few individuals. As a further step to curb the centralisation of economic power, the national executive of the Janata Party wanted immediate steps to bring about decentralisation in the ownership of the means of production. Such decentralisation, according to party, will enable the Government to make fuller utilisation of the private corporate sector, resources, experience and technical know-how for rapid industrial development without producing adverse effects.

George Fernandes, Union Industries Minister at Bombay on May 1, 1978 said that a new policy on sick mills would be announced shortly. He said :-

"We will implement this policy as long as we are in power at the Centre,"<sup>1</sup> he declared under the new policy, if a proprietor runs a factory at a loss and invests in other factories, the Government will not only take over the sick units but also the other firms in which had made investments. A law would be framed to send a proprietor of a firm to jail if he tried to cheat the workers and the Government."

It was declared by the former Minister of State for

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1. Times of India, May 3, 1978.

Industry that the emphasis of new industrial policy has been shifted to the effective promotion of cottage and small industries, in rural areas and small towns. She said that nearly 807 items have already been exclusively reserved for production in the small scale sector, and more may be added. It has been decided that an annual review of the reserved industries will be undertaken in order to ensure that reservation accorded to the small sector is efficient and is also continually expanded as new products and new processes capable of being manufactured in the small scale sector are identified.<sup>1</sup> The new policy has also identified a new sector namely "Tiny Sector" within the small scale industries whose investment in machinery and equipment is less than Rs. 1 lakh and located in town with a population less than 50,000. It has been recognised that more than even the traditional small scale sector, it is the tiny sector which will have to be provided with additional incentives and policy support for rapid development. This sector covers a wide variety of skills and activities including rural artisanship which provide livelihood to millions of households.

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Efforts of Janta Government to solve the problems:- The Union Labour Minister of the Janata Party's Government convened a two-day national labour conference for early May 1977, to be

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1. Yojana, Vol. XXIII, No.1 and 2, January 26, 1979, P.10.

attended by representatives of the Central and State Governments, 10 trade union organisations and three employers' bodies.<sup>1</sup> At another occasion, a round of talks took place in Delhi from June 26 to 29, 1977. Three of the principal groups, Indian National Port and Dock and Water front Workers' Federation of India and Water Transport Workers' Federation of India have indicated their willingness to accept the enhanced wage offers made by the Union Labour Minister stipulating Rs.441 as the minimum wage from July 1, 1977 at all ports.<sup>2</sup> This was a distinct improvement on the Wage Revision Committee's recommendations of Rs.406 as the minimum wage, with a graduated rise from January 1974 onwards.

The new wage structure compares favourably with many industries. It is better than coal and almost equivalent to steel. It will be higher than the minimum wages admissible to Government servants by about Rs.100 per month as on July 1, 1977.<sup>3</sup> The wage revision was being done in two parts : one by way of interim relief granted in January 1975 with effect from July 1974, the other on the basis of final report of the Wage Revision Committee. Total financial impact in respect of Port and Dock Workers amounts to about Rs.66.5 crore up to the end of June 1977. The recurring annual commitment will be Rs.20 crores.<sup>4</sup> Port officials contend, the additional concessions now offered by the Labour

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1. Hindustan Times, April 28, 1977.

2. Hindustan Times, July 12, 1977.

3. Hindustan Times, July 12, 1977.

4. Hindustan Times, July 12, 1977.

Minister will work out to Rs.7 crores in terms of arrears till increase will be Rs. 8 crore more. The cost in respect of departmental workers of the Food Corporation of India and employees of stevedors and other private employers would be extra.<sup>1</sup>

After the Janata Government woke up to the situation it made efforts to bring about normalcy in the situation, the Labour Minister of Rajasthan convening two separate meetings for the purpose. The management and trade unions have agreed on an industrial truce till the Janata Government announces its industrial and labour policies. The managements agreed in principle to recognise trade unions on the basis of secret ballot, lift lock-outs and 'hartals' and strikes. All disputes are to be referred to Joint Councils.<sup>2</sup>

The management's view was that all the demands of the workers would not be met until the Government announced its national income, bonus and wage policies and also practical industrial and labour policies. The strikes and lock-outs ended as a result of this truce, but the situation remains tense.<sup>3</sup>

As a step to resolve problems it was declared that the Entire Swadeshi Cotton Mills group has been taken over by the union Government to be run by the holding company of the National

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1. Ibid., July 12, 1977.

2. Ibid., July 12, 1977.

3. Ibid., July 26, 1977.



Textile Corporation.<sup>1</sup> Announcing this in the Lok Sabha, the Union Industries Minister, George Fernandes said that the units would be nursed back to health through an efficient and clean administration and would not be returned to the erstwhile management. It has to be remembered that the Swadeshi Cotton Mills which was the kingpin of the group has been plagued by the troubles with a perpetual conflict between an erring management and restive labour. There has been a persistent demand in Parliament for Government intervention under the Industries (Development and Regulations) Act, 1951. \*

The Government announced on June 24, 1977 the setting up of an 11 member high powered expert committee headed by Justice K.S. Hegde, to review the Companies Act and the Monopolies and Restrictive Trade Practices Act. The Committee was supposed to undertake a comprehensive review of the Companies Act, 1956 and report inter-alia on :- <sup>2</sup>

- (a) Classification and formation of companies and the constitution of boards of directors with special reference to protection of the interests of the shareholders who are in a minority;
- (b) Exercise of managerial powers and protection of share-holders and creditors' interest and their relations, interse;

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1. Times of India, April 15, 1978.

2. Asian Recorder, Vol. XXIII, No.30, July 23-29, 1977, P.1384

- (c) Measures by which workers' participation in the share capital and management of companies could be brought out;
- (d) Provisions which are required to be made to prevent mismanagement with special reference to safeguarding of company's own - interest and the public interest;
- (e) Measures necessary to promote professionalisation of management and regulation of managerial and executive remuneration commensurate with their responsibility; and
- (f) Measures by which re-orientation of managerial outlook in the corporate sector could be discharged about so as to ensure the discharge of social responsibilities by companies.

Industrial relations :- It was reported on July 26, 1977 that Industrial relations continued to be uneasy following a spate of lock-outs, 'hartals', strikes and consequently retrenchments in most big and small units of Rajasthan.<sup>1</sup> Naval H. Tata, President of the Employers' Federation of India, alleged that free lance trade unionists, who had made the trade union movement a happy hunting ground for their personal and political ambitions had become vested interests and were hampering the growth of leadership from within the ranks of workers. He said, the time had come

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1. Hindustan Times, July 26, 1977.

when these vested interests must be eliminated.<sup>1</sup>

The employer - employee relations were under overall review by the Janata Government. Three new Bills had been introduced in the Lok Sabha which taken together would cover employment in all organised activity except when run for achieving governmental functions. The Bills are : Industrial Relation Bill, 1978; The Employment Security and Miscellaneous Provisions (Managerial Employees) Bill, 1978; The Hospitals and Educational Institutions (conditions of Service of Employees and Settlement of Employment Disputes) Bill, 1978.<sup>2</sup>

Employees in all other establishments are covered in two separate pieces of the proposed legislation. The first is an omnibus set of rights and regulations for the general body of employees. The managerial group is sought to be covered for the first time for purpose of job security and some other matters over and above the contract of employment in the second proposal. Of the three Bills the one regarding managerial employees is of singular importance because it covers fresh ground. The other two Bills flow from existing legislation, non-legal measures, findings by courts of law and recommendations by tripartite bodies in extended from to cover a wider range of issues and problems relating to employment in organised activity. The Bill concerning security of employment to managerial employees throws up numerous issues. The contents of the proposed law are yet not

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1. Hindustan Times, May 14, 1978.

2. Hindustan Times, September 12, 1978.

known widely. The far-reaching effect on running an enterprise of any kind needs to be assessed.

The silent features of the Employment Security and Miscellaneous Provisions (Managerial Employees) Bill<sup>1</sup>, 1978 are :-

- 1) Provisions for redress against unjustified termination of employment.
- 2) Provisions for redress against reduction in rank or in the salary or allowances.
- 3) Provisions for the claiming any money due and benefit to which the employee is entitled and which is capable of being computed in terms of salary.
- 4) Codification of rules and regulations governing managerial employees for disciplinary action in the same manner as Standing Orders are made for industrial employees and notifying the Government of this for record.
- 5) Right of discharge simpliciter tests as laid down for labour law - covered employees.<sup>2</sup>

All managerial personnel including Probationers and Trainees employed in any establishment for more than 200 days are covered; subject to the following :-

- (a) Employees covered by other legislations for such purposes are excluded.

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1. Hindustan Times, September 12, 1978.

2. Ibid.

- (b) Employees holding office of Director, Secretary, or Chief executive are excluded.
- (c) Employees authorised to exercise substantial powers of management on work relating to regional or branch office are excluded.<sup>1</sup>

Substantial powers of management are defined as :- (i) if he is required, in the performance of his duties, ordinarily to participate in evolving the policy of the employer in relation to matters like purchase, sales, marketing, production or pricing of goods, or services manufactured, supplied or distributed by such organisation or in relation to the recruitment and promotion of employees or the wage structure of such employees; or (ii) he is authorised to take final decision disciplinary proceedings against any managerial employee. Government servants even if performing managerial work are excluded.<sup>2</sup>

The management team is split into two parts. Distinction is drawn between the two by the nature of work performed and specific assignment held by an employee. Directional and related work which involves evolution of policy decisions on marketing, purchase production, employment etc., being held to be exercise of substantial managerial powers is excluded. Persons authorised to exercise such powers are taken out from the coverage of law. The remaining strength is covered irrespective of the designation held

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1. Hindustan Times, September 12, 1978.

2. Ibid., September 12, 1978.

or nature of work performed by them. The law creates a right for raising a dispute with regard to termination of employment either by way of punishment or through discharge simpliciter. It does not go far as the right to other employees to be covered under the Industrial Relations Act. A dispute with regard to revision of conditions of service and terms of employment is not covered or permitted under the proposed legislation.

The fact, however, that each establishment would have to codify the rules and regulations with regard to misconduct and have these registered with the appointed authority goes to show that management would be required to lay down the set of service conditions in this behalf and would not be able to act outside it. There is provision for a model of such regulations to be prescribed by the appropriate Government and such model shall be deemed to be in force until such time as the regulations made by the employer are registered. There is no provision for certification of these regulations and therefore, the registration officer may have no authority to refuse to register the regulations on the ground that they are not fair or do not fall in line with the model prescribed by the Government. Any departure from the model regulations, once enforced, to the detriment of the employees in the regulations drawn up by the employer could amount to adverse change in conditions of service and therefore employers would be under pressure to adhere to the model put out by the appropriate Government.

If the intention of the proposed legislation is to exclude all managerial personnel employed who exercise substantial

powers of management, Clause 2 (4) (f) and explanation No.3 to Clause 2 (4) of the Bill would need to be altered so as to include the main establishment and the Head office of the establishment instead of restricting the coverage to divisional, regional or other like offices.<sup>1</sup> A category of managerial employees who should have been put under the excluded group has been left out. This is the Confidential and Administrative group of managerial personnel. Even if managerial personnel are sought to be covered for purpose of job security these two categories should be expressly excluded because they are an essential adjunct of directional management and cannot be equated with the executive or implementing levels of managements. Trainees should be excluded as they are not in fact employees.

A functional change in running of enterprises is involved; with protection under law thinking and reaction of the managerial group is likely to change. Trade unions of managers and collective bargaining under threat of work to rule or pen-down strike cannot be ruled out. Demands of specific written instructions for all aspects of work would arise and officers will tend to escape responsibility on the ground that exercise of discretion could take them out of the purview of law since an element of policy decision was involved. Fixing of blame for individual acts of negligence would give rise to argument and lead to decision by a tribunal which would have powers to review the decision by management. Control, therefore, over the officer level would be diluted and

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1. Hindustan Times, September 12, 1978.

effective management would be impaired. Loyalty or dedication expected of officers may become an individual trait and the exception rather than the rule.

A crisis arising out of employer - employee confrontation would have to be dealt with by the limited number of excluded managers. Sympathies and support of the middle level managers are likely to tilt towards the rest of the employees since any benefits gained by them would be asked for by the managerial group in turn or even together. Management would henceforth be identified by the excluded few for facing the situation on behalf of the employer.

Managerial efficiency is likely to suffer because survival and promotion would not be directly linked to results or market value.

Issues arising out of hours of work and time put in by the covered managerial group would have to be resolved and the extent to which management depends upon the officers in an establishment would undergo a visible change. The equation is likely to become more materialistic and in the long run may not be to the advantage of the managerial group itself, because this might freeze their growth and promotion within the managerial cadres, for such of them at least as would rely more upon their legal rights than on the work done and services rendered in the running of the enterprise to build a career and reach top positions.

The overall functioning of management control may be impaired because the tools and instruments of management are being separated from it. The limited number of excluded managerial



personnel in an establishment will face a more difficult task in getting work done according to predetermined targets.

Rights accruing to workers under new legislations :- For the first time in India, Maharashtra Government has given statutory recognition to the right to work. The Maharashtra Employment Guarantee Bill, passed by the State Assembly in August 1977.

Under it any able - bodied person in the rural areas will be given work at a daily wage of Rs.3 within 15 days of asking for it, or be paid an unemployment dole of Re.1 per day.<sup>1</sup> At the central level the new Industrial Relations Bill, which was introduced in the Parliament, seeks to confer more rights and benefits on workers. Official sources consider the Bill a tremendous advance on the existing industrial relations in terms of real benefits to workers. The basic difference is that while the existing industrial relations legislation is mere a fire-fighting enactment, in the new Bill the Government is making an in-built mechanism for settlement which is bound to avoid strikes and lock outs. The most important innovation in this Bill, namely the mechanism of settlement of disputes, is expected to bring stability in industrial relations and reduce the damage caused at present by multiplicity of unions and the risk of strikes and lock-outs to minimum, the sources claim.<sup>2</sup> The Bill will achieve this through an improved

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1. Hindustan Times, August 10, 1977.

2. Ibid., September 12, 1978.

machinery to settle disputes, and by designating the machinery of negotiation through the democratic process. The settlement process will start with bipartite negotiations, which if they fail within 60 days, the matter could go to either conciliation panel or before the labour court. The conciliation procedure is optional unlike at present.<sup>1</sup>

The labour courts, contemplated by the new Bill, are different from existing ones. These courts will be permanent and every time a dispute comes, a new one need not be constituted as at present. These courts will also have to settle the dispute within three months. Today there is no time limit. The new Bill allows these courts to give interim injunction and suspension allowance is raised to 50 per cent for the first month. And 75 per cent for the next one and full compensation for the third month. All these factors, it is expected, will make it not worth - while for employers to resort to delaying tactics. The sources quoted International Labour Organisation resolution to justify curbe on strikes since the machinery for settlement has been built-in in the Industrial Relation Bill itself. However, there is no ban on strikes. Strikes are recognised if approved by 60 per cent of the workers, whereas in West Germany for instance, this per cent is 75.<sup>2</sup> The most important innovation in the Bill is the selection of the

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1. Hindustan Times, September 12, 1978.

2. Ibid., September 12, 1978.

sole or chief negotiating agent, associated negotiating agent and the negotiating committee of workers which alone will have the right to negotiate with employers and enter into agreements.<sup>1</sup>

Where the union has a membership of more than 65 per cent of the workers, it becomes the sole negotiating agent. Other unions with a minimum membership of at least 20 per cent become associated negotiating agent but without any veto power over the sole negotiator. Where the leading union has less than 65 per cent membership but more than 50 per cent, it becomes chief negotiating agent; the other being associated with it. And where no union has a majority, a negotiating committee will be elected by workers and the unions concerned may have their candidates for this election. The determination of the sole or chief negotiating agent or the other processes involved in this, is done by an industrial tribunal so that Government does not have a say in the matter.

The Bill, however, bans strikes in those industries declared essential. But official sources point out that while the present point out that while the present law the essential services are not listed, the new Bill will list them and restrict them to just 12. In the existing law, the Government is free to declare any industry or service as essential. Another important feature of the Bill, according to the sources, is that in all these essential industries or services the joint consultative

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1. Hindustan Times, September 12, 1978.

machinery is also made essential to settle any industrial dispute. At present, the Government, while declaring any industry as "essential", is under no obligation to provide for settlement of disputes.

The Industrial Relation Bill will tighten up procedures in regard to registration of trade unions by demanding a minimum membership of 100 or 10 per cent of the workers, whichever is lower, and will insist on trade union leaders to declare their assets and restrict their holding office to not more than four unions. It bans categorywise or craftwise unions. The Bill also seeks to remove the lacuna in the definition of industry created by the latest interpretation to it given by the Supreme Court. All employees receiving salaries upto Rs.1,000 are brought within workers and hospitals, educational institutions and charitable institutions are taken out of the definition of industry.

Constitutional provisions :- A comprehensive amendment Bill seeking to remove 'ambiguities' and 'practical difficulties' in the implementation of the Coking-Coalmines (Nationalisation) Act of 1972 and Coalmines (Nationalisation) Act of 1973 was introduced in the Lok Sabha on April 26, 1978<sup>1</sup>. In the statement the Energy Minister said it was proposed to legalise, through the amendment Bill, joint claims filed by workers through trade unions or through the officers under the Chief Labour Commissioner (Central) against the colliery owners. On May 2, 1978 the Energy

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1. Times of India, April 27, 1978.

Minister replying to debate on the Coalmines Nationalisation Laws (Amendment) Bill, said that coal production had gone up and despatches in 1977-78 were higher by four million tonnes than the previous year<sup>1</sup>. The Bill was passed after the minister's reply.

The Government of India introduced a comprehensive Industrial Relations Bill before the Parliament. The draft Bill, giving a new deal to workers in the country, thus fulfilling the promise the Janata Party made in its election manifesto, was discussed by the Cabinet for the second time. A study group on wages, incomes and prices was also appointed by the Janata Government. Naval H. Tata, President of the Employers' Federation of India, who was addressing the 45th Annual General Meeting of the Federation, welcomed the appointment by the Indian Government of the Study group on wages, incomes and prices policy. He cautioned that the study would not be a mere exercise to cut to size the management salary whilst upgrading the wages of the workers. According to him, it was fallacious to compare that minimum earnings of the lowest category of industrial workers with the maximum paid to the industrial management in a rigid ration of 1:20 or 1:10.<sup>2</sup>

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1. Times of India, May 3, 1978.

2. Hindustan Times, May 14, 1978.

He said the trade unions had adopted a non-co-operative attitude towards the study group because they were apprehensive that it might expose some unpalatable facts about the wage structure. He wanted the Government to handle the question of wage - structure with reason and not to be guided by emotional and ideological considerations. Referring to the bonus problem, he said it would not serve the cause of social justice if a unit was made to pay minimum bonus, despite losses, and rendered uneconomic. The deferred wage concept could not be defended on any rational ground and, if accepted, it would create serious problems for the Government. He wanted the Government and the ruling Janata Party to show courage and took beyond the Party manifesto to find a permanent solution to find a permanent solution to the bonus problem.

Judgement of Supreme Court on Industrial Dispute Act :- The Supreme Court delivered, in February 1978, an important judgement of a far-reaching nature in the Bangalore Water Supply and other cases. The main issue for decision before the Court was the interpretation of the term "Industry" under Section 2 (j) of the Industrial Dispute Act of 1947. The Court laid down working principles to determine the attributes and characteristics which would ordinarily indicate whether a particular activity falls within the definition or not. The definition reads as follows :-

"(j) industry means any business, trade, undertaking manufacture or calling of

employers and includes any calling, service, employment, handicraft, or industrial occupation or avocation of workmen;"

The Court laid down tests for application of the definition and for coverage of an entity as follows :-

- (a) (i) systematic activity; (ii) organised (the direct and subsequent elements is incidental) by cooperation between employer and employees; (iii) for the production and / or distribution of foods and services calculated to satisfy human wants and wishes (not spiritual or religious but inclusive of material things or services geared to bliss viz. making, on a large-scale prasada or food).
- (b) Absence of profit motive or gainful objective is irrelevant, be the venture in the public, joint, private or other sector.
- (c) The true focus is functional and decisive test is the nature of the activity with special emphasis on the employer - employee relations.
- (d) If the organisation is a trade or business it does not cease to be one because of philanthropy animating the undertaking.

The Court clarified that all organised activity possessing the triple elements referred to in para (a) above although not trade or business may still be 'industry' provided the nature of

the activity namely the employer - employees link is similar to that in industry or business. The Court further clarified that the application of these guidelines must be taken to their logical conclusion and interpretation should be in consonance with the ideology of the Industrial Dispute Act, namely maintaining industrial peace. The Court held that the following would also fall within the definition if they fulfil the triple tests listed in para (a) above. (i) Professions; (ii) Clubs; (iii) Education institutions; (iv) Cooperatives; (v) Institutes; (vi) Charitable projects.

It was also observed by the Court that a restricted category of some ventures may qualify for exemption "if in simple ventures substantially and going by the dominant nature criterion no employees are employed except in minimal matters or that marginal employees are hired retaining the non-employee character of the unit." The Court held that the dominant nature of the service and the extent of integration in the departments would decide whether under law the entire undertaking would be industry or not. Welfare activities or economic adventures undertaken by Government or statutory bodies as also departments discharging sovereign functions through units, which are industries, could be covered, and should not be held to be exempted as such.

The Industrial Disputes Act was promulgated for a specific purpose, namely for regulating of industrial relations between organised industry and labour. The view, taken by the



Supreme Court, was that coverage should be linked to the form and structure of the venture including the purpose for which it was run. Under this judgment extends the definition to the term 'industry' to a such wider field. Many establishments, hitherto held to be outside the scope of the Industrial Disputes Act, may now be held to be covered by Tribunals on the new tests laid down by the Supreme Court.

With the extended meaning given to the definition there may be little need for Government to pass separate legislations for undertakings like hospitals and educational bodies. Coverage of institutions like hospitals, colleges, religious organisations would thrown up fresh problems. The employer - employees relationship would undergo a change. Whereas it would ensure security of services to employees and give them rights to raise disputes for revision of terms of employment, it might deter social workers and philanthropists from getting involved in such activities; because service to mankind and society being the basic purpose they might shy away from such activity when they face the technicality and fetters of regulatory law or getting work done by employed manpower. The judgment would evidently lead to a noticeable increase in litigation on the subject of coverage of establishments under the Industrial Disputes Act. Employees yet held to be outside the purview of the Act would seek revision of the situation. Institutions deemed to be exempted yet would resist coverage under the Act. In such cases, parties would get final verdict after a Tribunal applies

the new tests and gives an award. Parties are likely to resort to appeals to High Courts and / or the Supreme Court to get legal pronouncements on the issue. The new principles and tests would need to be applied to the facts of each case. There could be genuine cases of doubt which would be resolved by final findings on the application of the tests to the facts in question. The tests and the judgment are fairly clear and in precise language but they are in the nature of guidelines and each case would need to be examined on merit.

The judgment would also enlarge the scope and area of activities of Trade Unions. A race between rival camps will ensure to capture leadership of a vast number of employed manpower yet outside their fold. Organised agitation by this sector of employees, now covered by law, is likely to hinder welfare activities for society and disturb medical help to the ill legal rights are finally decided in these cases. Inconvenience to the consumer and citizen may of course be of short duration and therefore, would be taken in strike. Such upsets of civic, educational or philanthropic activities could be averted if trade union leadership agrees to act with restraint, holding such services to be different from normal industrial / commercial venture run for profit. However, there is little reason to expect such reaction because the employees concerned would be keen to assert their new rights and select and support leadership which ignores considerations of convenience to society.

It could be agreed that special legislation introduced

for maintaining industrial peace should not be extended to cover units and institutions which do not produce goods or render material services. Nevertheless, the judgment by the Cour would be binding on all tribunals and, therefore, institutions hitherto exempted would be required to follow such a special legislation. As the court itself states, this judgment would prevail until such time as there is a fresh thinking on the matter either by the Supreme Court itself or the Industrial Disputes Act is amended. It remains to be seen whether fresh experience over the years would bring about any change in the situation.

CONCLUSION.

Problems of facing Trade Unions and their Solution.

The detailed examination of the Trade Union movement goes to establish the fact that in view of the growing industrialisation of the country, the grievances of the organised labour force are becoming more and more vocal and pronounced. Since the inception of freedom struggle, the labour has become increasingly conscious of its rights and privileges and constitutes a mighty pressure group. Various political parties have reclined on the support of organised labour in the achievement of their respective objectives. The Indian National Congress, the various offshoots of the socialists and communists parties have tried to project themselves as the saviours of Trade Unions of different shades and complexions. They have partially succeeded in harnessing the potential labour force and wherever they came into power they have championed the cause of labour and have extended to them marginal benefits. The Congress government has tried to ameliorate the miserable condition of the labourers, both urban and rural, through various legislative enactment but the problem has been so acute and complex that it has balked all efforts at their solution. The radicals have also tried to gain the sympathy of the organised labour force by aligning themselves with the interest of the labour. The socialists, who were more moderate than the communists radicals, have thrown their lot with the Trade Union movement. The Constitution also lays down many provisions which are calculated to improve the living conditions of labour. The

economic and social conditions of the backward labour force have sought to be improved by the ruling party through legislative enactments and introduction of democratic planning. They have tried to ameliorate their condition through liberal policies of recruitments and reservations. The living conditions are becoming so irksome due to action and interaction of economic forces such as inflation, depression, corruption and increasing unemployment that all reforms were found to be inadequate and labour unrest continues which finds expression through strikes, lock-outs, Bands, Gheraos and violence of different magnitudes. The capitalists are constantly on their toes to solve the problem but the situation has gone from bad to worse. A comprehensive legislation on industrial relations has been discussed for the past three decades. The National Commission of Labour spelt out the need to codify the various statutes to secure lasting and stable labour relations. It made far-reaching recommendations which led to prolonged debate wherein the parties concerned tried hard to protect their interests. The government has taken three decades to draft fresh legislation.

The draft measures reflect sharp departures from prevailing rights disparities and existing responsibilities of employers, employees and trade unions. The changes sought by the government should aim to resolve inherent clash of interest between enterprise and manpower without friction and damage to productivity or production. National needs and economic growth should take precedence over sectarian interests in any society.

Inter and intra-trade union leadership - rivalry is glaringly evident. Politicalisation of leadership has become widespread. Constant bickering as to who signs a settlement is often considered more important, than what is agreed to for the benefit of working class. Each camp outbids the other in demanding higher benefits. Sanctity of settlement or awards is threatened with constant change in leadership. Militancy is advocated and practiced against management, and even the government, as the quickest method for securing benefits. Collective bargaining has given place to 'shotgun' bargaining at the factory gates. The crucial question before the nation and parliament is whether the new legislation is directly intended to control the malady and what extent is national need and consumers convenience are insulated against wanton action and motivated conduct of vested interest

The basic approach in the new proposed legislation had been :-

- (a) securing industrial peace and stable relations between management and labour through bipartite collective bargaining
- (b) on failure of such bipartite settlement government should interfere and mediate. If mediation fails then direct action should be resorted to and the matter should be settled through arbitration or adjudication and even coercion if necessary.
- (c) breach of instructions or law prohibiting illegal strikes or lock-outs should attract severe penalties to stop such irresponsible behaviour.

The Industrial Relation Bill, 1978 seeks to lay down a scheme for identifying the role of bargaining agent to foster and facilitate collective bargaining between management and organised labour. It provides for regulation of trade union activity through formation of better organised trade unions. It attempts to reduce multiplicity of trade unions in an establishment or industry by vesting exclusive specified powers in the sole bargaining agents. Labour should be given protection in large measure against abrupt and haphazard action by management where sizable employment was involved. The proposed bill should place restriction on the right of the employers on issues like lay-off, retrenchment, lock-out and closure. Employees should be protected by changing conditions of service and making them more difficult.

Collective bargaining has been encouraged and practiced for nearly forty years in the country. Two major hurdles have been identification of the bargaining agent on behalf of the employees and secondly the guarantee of the efficacy of measures in bringing about industrial peace for a reasonable period of time. Moreover, in whatever collective settlements have been reached consumers interest has been ignored. The new law does not make any change in the position in this behalf. The parties are free to revise the terms of employment and conditions of service at will. Another issue which is not paid due attention is the impact of such sporadic settlements on national economy.

Labour laws are in need of being thoroughly revised. The emphasis should be on rationalising collective bargaining,

permanence or durability of settlements, employee's interest, managements capacity to provide concessions and finally consumers interest and their total impact on national economy. Labour-industrial relations must be put on a permanent basis and sound footing. Strikes do not only adversely effect productivity, they cause distress and discomfort to the nation at large, because all industries, services and activities are inter-related and necessarily affect the economy of the nation. Labour law needs to be reviewed so as to secure industrial peace and provide fair deal to all sectors of society. Lessons learnt from experience of the last four decades should be due importance. Labour laws should be consolidated and must serve the basic purpose for which they are promulgated and should be based on actual conditions prevailing in the country, instead of concepts and ideas prevalent in every 50's, which have miserably failed to ensure industrial peace. Government should not forget about due processes of law when dealing with cases of violence, arson and other crimes committed in the course of agitations, demonstrations and strikes. The government should discourage political parties from using the labour force from becoming a tool in the hands of political leaders and organisations in order to subserve their selfish or party ends. It is quite obvious that such an insulation is not possible in a democratic society, having welfare state as its objective. Trade unionism has assumed a positive role all the world over and political parties would always take advantages of harnessing



these pressure groups and interest groups for their political ends.

One of the essential features of the growing Trade Union movement in the present day world is the increasing violence in industrial relations. The organised labour feels that it is not getting a fair deal at the hands both of the government as well as the industrialist. In fact this is not the case. The industrial labour is well paid as compared to other services at the lower levels. No one is satisfied with his lot and considers himself under paid. The Industrial Disputes Act and similar Acts mentioned above, passed from time to time to create a peaceful atmosphere did not fully satisfy the mounting labour force. The failure of penal laws have also contributed substantially to the prevailing state of affairs.

Another reason for this law and order situation is the feeling among the labourers is the yawning gap between the salaries of labour sector and the managerial personnel. Moreover, labour is bound to become restive as the promises made are rarely carried out. Consequently they feel agitated which leads to indiscipline, rowdiness and further on to unbridled violence, giving birth to greater demands. In this way, and lesser production, new demands comes to the fore before old demands are settled. Inter-union rivalry is also the self generating factor which contributes to violence. It is a major source of violence. There is also failure of leadership who are in constant struggle to hood wink each other. These leaders subscribe to the programme of different political parties and make these unions pawns in their own games of self-aggrandisement.

Thesslow moving communication machinery, adds fuel to fire. Discontent spreads to new areas and acquires fresh dimensions which become more and more complicated and make the confusion worse confounded. It creates many economic and social problems and involve the society into pfresh political and administrative problems. The interest of the labour recedes to the background and new situations arise which have little or no relevance to labour welfare. It should therefore, be more cautions in formulating their demands, presenting them to the industry or the government. They should separate the grain from the chaff and concern themselves to issues relevant to their own future. Their objectives should be clearly stated and effectively pursued. They should be more careful in accepting the bait offered by selfseeking politicians. If they are entangled in the net of national, regional or local politics, the purpose for which they organise into a pressure group or interest group would be defeated and one stage of prustation would necessarily lead to another stage and blunt the shaftp edge of labour movement. Moreover, destructive activities should not be allowed to percolate the various sectors of labour organisation and paralyse the already shaky economy of the developing society.

Suggestions for evolving a code of ethics or  
law to ensure more harmonious relations bet-  
ween management and labour.

- (a) Appointment of a Committee to look into the implementation of Industrial Relation Act, M.R.T.U. and P.U.L.P. Acts.

(b) Reduction of time lag in resolving industrial disputes.

(c) Evolution of methods whereby industrial peace, harmony and fair play are brought into effect.

(d) Workers should be considered partners in industry.

It will create a sense of responsibility born of a sense of belongingness, and the labourers will not indulge in subversive and destructive activities. The prospective profitability of the industry will constitute a check on the irresponsible behaviour of the industrial labour.

(e) Trade Unions should be independent of political parties.

They should not play second fiddle to the political parties and serve their vested interests. They should not be exploited by the political parties or leaders of different political parties.

However, it is quite obvious that without coercive methods and a certain amount of militancy and strong arm tactics labourers would not achieve their goal but these tactics intended to harmonise the interests of the government including Public Sector, Industry and Labour force. Experience will go to show whether it succeeds or will be lost in fruitless quibblings tensions and inter-union rivalries. The most dangerous aspect is the violent tendencies that it generated and political influences to which it is subjected. The economy of the country suffers on account of these rivalries and closures which are the natural sequence to these bickerings. The dispute of getting bonuses has ended in favour of organised labour but the labours are not satisfied.

The Industrial Relation Bill 1978 passed by the Parliament in 1979 is great leap forward. It has met the requirements

of labour law after decades of scrutiny and patient consideration and positive experience. It is expected that this legislation would provide stable industrial relations.

It was thought by Congress circles that a comprehensive Industrial Relations Bill is unlikely to see the light of the day and the report presented by Bhoothalungan in regard to incomes, wages and prices will cut no ice. The continuous postponement of the comprehensive Industrial Relations Bill generated misgivings but ultimately it was passed to the satisfaction of all concerned. The balance of government should be under the control of meaningful leadership, like Mirajkar, Dange, D'Mello and Fernandes. The organised labourers should not degenerate into an unruly crowd, as it would go to harm their own interest. Their demands should be reasonable. It goes without saying that complete satisfaction is incapable of being achieved and hence exaggerated demands would complicate the issues instead of solving them. There is leadership crisis in the rank and file of the organised labour. Such a situation is becoming more and eccentuated and helps the cause of rabble-rousing politicians rather the sober Trade Union leaders.

India is a passing through a very critical phase of economic development and frequent strikes, lock-outs and repeated acts of violence bring the economy to a halt endanges the economic stability of the country on plimsy grounds. The government should anticipate the situation and rush to the rescue of the industrial sector, as and when necessary so that mere passage of time does not harm the economic interests of the country and its people.

The recent compendious legislation which has incorporated in the features of almost all the previous Acts and

synthesised all the methods of bringing about harmony is a big leap forward and is calculated to bring about harmony in Industrial labour relationship. Its support is obviously tilted in favour of the employers and Bothalingam Committee Report is discarded outright. Consensus on a national level as suggested by it. It is impossible to achieve suggestions made by National Commission on labour is worth consideration and should be incorporated in the Industrial Relations Bill 1978 and sufficient opportunity be given to the working men to settle accounts so as to reach a reasonable bargain. Fragmented demands and lack of emphasis on consumers interest weaken the position of Trade Unions and erode their popularity with the masses.

The advent of heavy industry is welcome as it tends to make the country prosperous and people economically weloff. The medium industry and the small industry also known as 'tiny industry' step up employment avenues and enrich the society. But on the contrary strikes lock-outs, and acts of violence bring the productive machinery to a grinding halt jeopardising the economy of the country and bringing hardship to millions of people. With the decrease in the purchasing power of money caused by inflationary tendencies, the dis-satisfaction and labour unrest is justified. But on the other hand the pay schedule of the factory workers is quite high and the fantastic demands should not be considered reasonable.

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